[श्री रामचन्द्र भारद्वाज]

स्थिति हो और जो एडवाइजरी बोर्ड हो उसमें जन-प्रतिनिधि अवश्य हो ताकि हर बात की जानकारी रखी जा सके। मेरा तो यह भी ख्याल है कि अध्यक्ष और मैनेजिंग डायरेक्टर दोनों ही पदों पर पब्लिक के आदमी हों। उनकी उपकी जानकारी हो। पब्लिक मेन एसे न हों कि उनको वहां पर पोलिटिकल एसाइलम दिया जाय। मैं चाहता हूं कि वहां पर ऐसे लोग हों जो बेशक विशेषज्ञ न भी हों तो उनको कम से कम मामलों ज्ञान तो हो और समझ हो। इन शब्दों के साथ मैं एक बार पुनः वित्त मंत्री जी को बधाई देता हूं कि उन्होंने इतना प्रगतिशील कदम उठाया है। इससे हमारी अर्थ व्यवस्था में सुधार होगा और उद्यमों को भी सहायता मिलेगी। धन का सही रूप में उपयोग हो, इसको वे ध्यान में रखेंगे। इस विश्वास के साथ मैं हृदय से इसका समर्थन करता हूं।

THE DEPUTY CHAIRMAN: At 3 o'clock, we have to take up the discussion under Rule 176. Two minutes are left.

दो मिनट बाकी हैं। श्री वीरेन्द्र वर्मा जी, आप बोलना चाहेंगे। नहीं तो आप इस डिसकशन के बाद कल बोल लीजिये। 3 बजे रूल 1976 के अन्दर डिसकशन होगा।

श्री वीरेन्द्र वर्मा (उत्तर प्रदेश): डिप्टी चेयरमैन महोदया, आज यह जो बिल

THE DEPUTY CHAIRMAN: Thank you. Now we will start the discussion under Rule 17C—Shri S. S. Vaghela.

3 P.M.

DISCUSSION UNDER RULE 176

Steep rise in the prices of essential commodities causing acute hardship to common man

श्री शंकर सिंह वाघेला (गुजरात): इसमें उपसभापति महोदया, इसमें छपा है नियम 196 के अधीन चर्चा ..... (**व्यवधान**) जबकि यह होना चाहिये नियम 176 के अधीन चर्चा।

उपसभापति: इधर प्राइस राइज, उधर थोड़ा यह भी बढ़ गया है! (**व्यवधान**)

श्री शंकर सिंह वाघेला: मैं नियम 176 के अधीन आवश्यक वस्तुओं के मूल्यों में भारी वृद्धि के कारण आम आदमी को पेश आ रही अत्यधिक कठिनाई पर चर्चा द्वारा आपका ध्यान आकर्षित करना चाहता हूं और इस विषय पर चर्चा आरम्भ करता हूं प्राइस राइज, यह कोई पार्टी का सवाल नहीं है यह प्रोब्लम आम आदमी का है सब से ज्यादा कामन मैन आफ दी सोसाइटी जो अपनी इनकम से बाजार में जाकर थोड़ा भी खरीद करता है इनके ऊपर भाव वृद्धि का ज्यादा असर होता है। यह उनके लिए कि बर्निंग प्रोब्लम है। चाहे हमारे वित्त मंत्री जी अपने आंकड़ों से यह बताने की कोशिश करेंगे कि भाव ज्यादा नहीं बढ़े हैं लेकिन यह भाव वृद्धि में कई सरकारें गिरी हैं हमारे गुजरात में तेल के भाव बढ़ते थे तो लोग सप्लाई मिनिस्टर को तेलिया राजा कहते थे। मैं वित्त मंत्री जी को टालिया राजा नहीं कहूंगा। (**व्यवधान**) जब जनता गवर्नमेंट थी आलू प्याज के भाव बढ़े थे। हम लोगों को कहते थे कि आलू प्याज के भाव से डेमोक्रेसी इतनी सस्ती है कि आप यह भी नहीं सोचेंगे कि किस को वोट देने जा रहे हैं लेकिन उस टाइम राम करती सरकार ने अपील्स स्लोगन दे कर कांग्रेस (आई) की सरकार बनाई।

वित्त मंत्री (श्री विश्वनाथ प्रताप सिंह): एक सूचना मैं माननीय सदस्य को दूं कि उस समय आलू के भाव नहीं बढ़े थे। आलू जो थे, किसान के खेत में रह गये थे खोदे ही नहीं गये थे। आलू इतने सस्ते हो गये थे। (**व्यवधान**)

श्री शंकर सिंह वाघेला: आपकी बात ठीक है प्याज के भाव इतने बढ़ा चढ़ा कर बताए गये और आज कम करता

सरकार की बात करते हैं । सरकार तो काम जल्दी करे या न करे लेकिन भाव वृद्धि अपना काम जल्दी कर रही है । यह तो निश्चित बात है कि 21वीं सदी में देश जाए या न जाए लेकिन भाव वृद्धि 21 फीसदी तक जरूर जाएगी । ऐसा मेरा भरोसा है । आज की जो पालिसी है इसके हिसाब से मैं यह कहता हूं ।

आप कभी-कभी हाऊस को मिसलीड करते है, ऐसा भी मैं मानता हूं । कोई मिस अगर लीड करती हो तो अलग बात है । आप इलैक्शन के समय पर भाव को कैसे कंट्रोल में आर्टिफिशियल कंट्रोल में रखते हैं इसके लिए आप शुगर इमपोर्ट करते हैं, राज्यों ने जितना कोटा मांगा गेहूं का तो उनको भी ज्यादा सप्लाई करते हैं, अभी सीमेंट में भी आपने राहत दी स्टील में भी आपने इम्पोर्ट किया और इस हिसाब से भाव को कंट्रोल में रखा 1984–85 में सालाना भाव 5.75 बढ़े थे ।

जब आम चुनाव होता है तो लोग कहते हैं कि चुनावों के बाद जरूर भाव बढ़ेंगे और वही होता है । जैसे चुनाव समाप्त होता है अपने आप धीरे-धीरे कर के लोगों की अपेक्षा जो होती है भाव उसी हिसाब से आगे बढ़ते हैं । प्राइस राइज की थोड़ी सी फिगर्ज मैं जरूर आपको पेश करूंगा । मैं 1981–82 जून महीने की ऐवरेज लेता हूं होल सेल प्राइस इंडेक्स (1969–70 में जो 100) है वह इस प्रकार बढ़ा :—

1981–82	334.2
1982–83	358.0
1983–84	396.9
1984–85	439.8
1985–86	483.2

अब 1985–86 में जो प्राइस राइज हुआ इसमें अप्रैल, में 9.1 प्रतिशत, मई 9.6 प्रतिशत और जून 9.9 प्रतिशत यानी 10 प्रतिशत हुआ ।

अब आप एवरेज प्राइस एनुअली निकालेंगे तो 81-82 में 17.3 परसेंट, 82–83 में 4.7 परसेंट, 83–84 में 12.7 परसेंट, 84–85 में 10.5 परसेंट और 85–86 का तो अब एनुअल हिसाब होगा तो मालूम होगा कितना प्राइस राइज होता है । भाव वृद्धि का सबसे का ज्यादा प्रभाव—जैसे दूध छोटे बच्चों के लिए और चाय या काफी में मिलाने के लिए या दूध का पाउडर है, पल्सेज, शूगर, इनके साथ स्पाइसेज, फ्यूल, क्लोदिंग, कन्वेंस जो आम आदमी के लिए जरूरी है, कामन मैन के लिए जो हर रोज बाजार जाकर लाता है, उसका बस में आना जाना जरूरी है और डीजल के भाव बढ़ते हैं तो इसका उस पर प्रभाव पड़ेता है—आम आदमी पर पड़ता है । प्राइसेज जो आपने 4.5 कहा है इस हिसाब से अब कितना बढ़ेगा वह तो आखीर में हमको मालूम होगा । इस समय प्राइस राइज थोड़ा विचित्र है । पहले आम तौर पर होलसेल भाव जितना बढ़ता था इतना आम तौर पर रिटेल प्राइस में फर्क नहीं पड़ता था लेकिन इस टाइम पर होलसेल प्राईस में 5.7 परसेंट भाव बढ़ा तो रिटेल प्राइस पर आज 85–80 में 10–11 परसेंट बढ़ा । 1979–80 में होलसेल 17.8 परसेंट था तो रिटल प्राइस 8.8 था । 80–81 में होलसेल प्राइस राइस 18.1 था तो रिटेल 11.4 था । इस हिसाब से इस टाइम होलसेल प्राइस राइज 5.7 है तो रिटेल प्राइस राइज 10–11 परसेंट से इफलेशन जो हमारे देश में है इसका सीधा प्रभाव हमको यहां नजर आता है ।

मैडम डिप्टी चेयरमैन, हमारा देश कृषि प्रधान देश है । हमारी जनता सरकार थी तब हमने पूरे बजट का तकरीबन 39 परसेंट रूरल बेस या एग्रीकल्चरल साइड के लिए अलग रखा था । आजादी के बाद पहली दफा देश के बजट में गांवों के लिए, किसानों के लिए, कृषि के लिए इतना ज्यादा अमाउंट स्पेयर किया गया था । इस हिसाब से उस टाईम की भाव वृद्धि देखेंगे तो तकरीबन इन्फलेशन अभी से कम होगा, प्राइस

[श्री शंकर सिंह वाघेला]

राइज भी कम होगा। **(समय की घंटी)** मडम जैसे प्राइस राइज हो रहा है :—

उपसभापति : टाइम तो नहीं बढ़ाइये।

श्री शंकर सिंह वाघेला : समय की वृद्धि भी आप करिये, अभी बहुत कहना बाकी है आप तो चेयर पर बैठी हैं लेकिन पूरा देश ज्वालामुखी पर बैठा है।

THE DEPUTY CHAIRMAN: Including me.

श्री शंकरसिंह वाघेला : आज जो हमारी स्थिति है, दुनियां के बाजार में जाइये, स्थिति यह है कि हम जो एक्सपोर्ट करते हैं उस एक्सपोर्ट में आप गेहूं बेच नहीं सकते हैं क्योंकि दुनियां के बाजार में ढेर सारा गेहूं है। आप स्टील एक्सपोर्ट नहीं कर सकते हैं क्योंकि हमारा स्टील 80 परसेंट ज्यादा भाव से बिकता है। इसलिए ऐसे समुद्र में हमारा देश है, ऐसा टापू है कि जो आम प्राइस वहां है एक्सपोर्ट करने के लिए वह नीची है, हम ऊंचे हैं। कहां तक हम एक्सपोर्ट बढ़ाएंगे। यह भी एक प्राब्लम है कि जब विदेशों में भाव कम होंगे और देश में ज्यादा होंगे तो स्मगलिंग बढ़ेगी। स्मगलिंग के जो आपने फिगर्स दिये हैं, गत साल जितनी चीजों को जब्त किया गया था उससे तिगुनी ज्यादा स्मगलिंग की चीजें आपने जब्त की हैं। इसका मतलब है कि तीन गुना ज्यादा या फिर इफीशियंसी बढ़ सकती है कस्टम्स की लेकिन क्वांटिटी जो बढ़ी है वह तीन गुनी ज्यादा है। इसलिए दुनियां में भाव कम होंगे और देश में ज्यादा होंगे तो जरूर स्मगलिंग को बढ़ावा मिलेगा, इसमें कोई ना नहीं कर सकता है।

अब जो सरकार की फिस्कल मोनेटरी पालिसी है, इसके बाद आप पब्लिक सेक्टर में जो इन्वेस्ट करते हैं 30,000 करोड़ रुपये तो इसका प्राफिट कितना आता है। 30 हजार करोड़ रुपया किसी को इंटरेस्ट पर देंगे—अपने यहां पब्लिक सेक्टर में जो इन्वेस्ट किया है लेकिन इसका एक परसेंट भी नाट ईवन वन परसेंट प्राफिट हमको मिलता है। अकेले एन०टी०सी० में 171 करोड़ का लास 84–85 में हुआ। कहां से सोर्सेज आप लाएंगे इसमें इन्वेस्ट करने के लिए।

हमारी राष्ट्रीय आय जो है, उसमें इंटरनल डेट जो हमारा है, वह भी 1977–78 में हमारी राष्ट्रीय आय का 53 प्रतिशत था और आज 1985–86 में नियरली 69–70 प्रतिशत इंटरनल डेट है। अपनी रेवेन्यु इनकम में से भी 25 प्रतिशत फार इंट्रेस्ट और किश्त जो देनी है, वह 20 प्रतिशत जाता है और आज वह 27 प्रतिशत हुआ है।

विदेशी करजा 27,351 करोड़ रुपये अप्रैल 1985 में था, आज हमारे विकास का काफी हिस्सा यह जो है विदेशी कर्जा खा जाता है। ब्याज, और इसकी किश्त। अगर आप दुनियां में जायेंगे तो आपको कोई कर्जा नहीं देगा। अगर कमर्शियल कर्जा लेना है, तो 12–13 प्रतिशत इंट्रेस्ट दे नहीं सकते और विश्व बैंक के भरोसे आप नहीं रहिये। इसी विश्व बैंक ने कहा कि युगांडा की इकानमी बहुत अच्छी चल रही है। यही विश्व बैंक हमारे यहां भी—आप ख्याल करना कि इसके भरोसे —वह जो चित्र हिन्दुस्तान का देता है, उस पर नहीं चलना है। विश्व बैंक पर भी इतना भरोसा नहीं करना है। आज हमारी जो रिसोर्सेज हैं, उसमें भी 70 प्रतिशत नान-डेवेलपमेंट एक्सपेंडिचर में जाता है। अगर जिस देश का 70 प्रतिशत नान-डेवेलपमेंट एक्सपेंडिचर में जाता है, सिर्फ बचता है 30 प्रतिशत और डेवेलपमेंट के लिए 30 प्रतिशत से देश का कैसा विकास होगा, वह आप लोग सोच सकते हैं।

अब ट्रेजरी बिल्स के बारे में भी देखिये 23 मार्च, 1984 को 16,753 करोड़ रुपये और आज 7 जून 1985 को 23,150 करोड़ रुपये है। जो बढ़ोत्तरी 17 प्रतिशत से आज 25 प्रतिशत तक हो गई है, इससे भी हमारे डेफिसिट

फाइनेंसिंग में और बढ़ोतरी होगी, घाटा बढ़ेगा, वह हम समझ सकते हैं ।

फारेन इम्पोर्ट भी आप कितना करेंगे किसी प्राइस को कन्ट्रोल करने के लिए जैसे शूगर है, आप दो रुपये किलो इम्पोर्ट करते हैं और आप बेचते कितने रुपये पर हैं ? गवर्नमेंट भी ब्लैक मार्केटियर्ज से ज्यादा आज आठ रुपये किलो बाजार में है चीनी आप देते हैं साढ़े चार या पांच रुपये, खरीदते हैं दो रुपये या दो से भी कम प्रति किलो, तो चार-पांच रुपये करते हैं मुनाफा एक किलो पर, कितना मुनाफा आप चीनी में कमायेंगे और आम आदमी को देने के लिए, उसका मुंह मीठा करने के लिए, चीनी कड़वी न हो, इसके लिए आपको इस भाव के बारे में भी सोचना चाहिए ।

अब भविष्य में जो इम्पोर्ट करने से हमारे लोग, जो उत्पादन करते हैं, तो उन पर भी इसका असर होता है कि क्यों उत्पादन करना है, गवर्नमेंट तो बाहर से मंगवा रही है, उसका इनिशिएटिव मर जाता है । तो इसलिए इम्पोर्ट को भी आपको हमारा एक्सपोर्ट-इम्पोर्ट ट्रेड बैलेंस को भी ठीक करने के लिए कण्ट्रोल करना होगा । (**समय की घंटी**)

मैडम, मैं डेफिसिट फाइनेंसिंग की बात करके अपनी बात समाप्त करूंगा क्योंकि हमारी सरकार जब से आई है, तब से आज तक डेफिसिट फाइनेंसिंग, डेफिसिट फाइनेंसिंग, और कहा जाता है कि विकासशील देश के लिए भाव वृद्धि और डेफिसिट फाइनेंसिंग आवश्यक है । आप कहते हैं कि इतना होना चाहिए कितना होता है—जैसे सैकिण्ड प्लान में—मैं थियर - वाईज प्लान में नहीं जाऊंगा—सैकेण्ड प्लान में था 954 करोड़ , थर्ड प्लान में 1133 करोड़ आपने किया, फोर्थ प्लान में 2060 करोड़ और फिफथ में आपने 3560 करोड़ रुपये और 1980–85 वाले प्लान में 5000 करोड़ रुपये का एस्टिमेट दिया । अब आप उसमें सालाना देखिये, 1980–81 में जितना हुआ, कितना एक्चुअल था, आपको पता है । कितना हुआ ? आपने एस्टिमेट क्या दिया था और एक्चुअल कितना हुआ ? 1980–81 में 1975 करोड़, 1981–82 मे 1700 करोड़, 1982–83 में 1935 करोड़, 1983–84 में 1895 करोड़ और 1984–85 में 3985 करोड़, बजेटेड 1762 आप कहते हैं कि आपने रखा है 3349 हजार करोड़ आफ रुपीज और अब आपने फिगर्ज कहां से लिए 3349 के ? आपने लिए 1984–85 का जो डेफिसिट फाइनेंस था 3985 और 3985 के टाइम कितना था, बजेटेड था 1762—1762 करोड़ इन्होंने लिया था 1695 1983–84 से आपने लिया 1984–85 3985 से 3349 तो यह बेस आपका है, तो मैं समझता हूं कि यह टोटल जो है 11,290 थाउजेंडज करोड़ और यह डेफिसिट फाइनांसिंग हमारे देश को कहां ले जायेगा इसका आपको जरुर सोचना होगा । सिर्फ देश के विकास के लिए आप कहते हैं यह जरुरी है, जरुरी है, मैं समझता हूं कि यह ठीक नहीं है क्योंकि इसमें एडमिनिस्टर्ड प्राइस का भी उल्लेख नहीं करते, अलग से रखते हैं, पेट्रोल का भाव बढा दिया, फर्टिलाइजर का भाव बढा दिया, वह भी आखिर कन्जयूमर पर पड़ता है । आप अगर एक्साइज ड्यूटी डालते हैं तो इसमें राज्यों को आपको देनी पड़ती हैं । इसमें कास्ट स्ट्रक्चर तो होना चाहिए । कास्ट स्ट्रक्चर में एडमिनिस्टर्ड प्राइस भाव वृद्धि करेगी, डेफिसिट में आप बैंकों को हीं नहीं करते, रिजर्व बैंक और कमर्शियल बैंक्स से जो लोन लेते हैं, उसमें एसिसटेंस सेन्ट्रल लोन भी आ जाता है, इसका आप देखेंगे टोटल डेफिसिट फाइनांसिंग 5132 करोड़ और 3985 आपने रखा है इसमें 5132 होगा तो कोई नई बात नहीं होगी । आप फिसकल डिवाइस को भी कन्ट्रोल करिए । मैडम, आखरी बात मैं वित्त मंत्री जी से कहूंगा पब्लिक इन्टरप्राइजेज हैं, जिनकी कैपेसिटी यूटिलाइजेशन कुछ नहीं होती । होता क्या है? जैसे 172 यूनिटस का सर्वे किया गया था आउट आफ 75 परसेंट कैपेसिटी यूटिलाइज की गई ऐसे 89, बिलो 50 टू 75,49 यूनिटस बिलो 50 परसट, 35 यूनिटस यानी 172 यूनिटस में से कैपेसिटी

[श्री शंकर सिंह वाघेला]

यूटिलाइजेशन 50 परसेंट से नीचे वाले 35 यूनिट्स हैं और कैपिटल जो है इसमें भी 83-84 में अपने 201 एन्टरप्राइजेज को को 29,896 रुपये जो 1974-75 में 120 यूनिट को 6656 करोड़ रुपये था इससे इन्वेस्टमेंट बढ़ता है, लेकिन रेवेन्यु जो आना चाहिए वह नहीं आता है और जो ग्रोथ रेट होना चाहिए वह भी सिक्स्थ प्लान में 1980-81 में 7.4, 1981-82 में 1.7, 1982-83 में 4.6, 1983-84 में 7.7 और 1984-85 में 4.5 इतना फ्लक्च्यूएट प्लानिंग आपका है, ग्रोथ रेट एक साल में 7 परसेंट और वहीं दूसरे साल में एक परसेंट, इतना ज्यादा फर्क है, जितना प्लानिंग उतना तो होना चाहिए । मैं आखिरी बात कह कर समाप्त करुंगा । इग्लैंड जैसे देश में भी .....30 परसेंट ऐसे ही वेस्ट जाता है, हमारे यहां 50 परसेंट से भी ज्यादा हो सकता है । इसलिए स्लिपेजज इन इंडास्ट्रियल प्रोडक्शन और इन्फलेशन आप दोनों को कन्ट्रोल करेंगे तो देश की इकोनोमी को आप बचा पायेंगे । फारेन ट्रेड बैलेंस में भी आपको देखना होगा, एक्सपोर्ट और इंपोर्ट को भी देखना होगा। मैं इसकी डिटेल में नहीं जाऊंगा । लेकिन भाव रुपये के बारे में आप आंकड़ों में आ करके ऐसा मत समझाना कि 4 परसेंट बढ़े हैं, 5 परसेंट बढ़े हैं, आपका बजट भी इसमें जिम्मेवार है । मानसून आयेगा, मानसून ठीक होगा तो भाव ठीक रहेगा और मानसून के बगैर हम जी नहीं सकते । इसलिए आप ऐसी प्लानिंग दें कि जिससे आम आदमी भी राहत प्राप्त करे और उसका आशीर्वाद होगा तो आप रहेंगे । इसकी खफामर्जी होंगी हम नहीं रहे थे, आप भी ऐसे हो सकते हैं । इसलिए सामान्य आदमी को ध्यान में रखकर ही कुछ करें और भाव वृद्धि को कन्ट्रोल करने के लिए जितनी इसमें बातें हैं और बाकी भी हमारे माननीय सदस्य कहेंगे उसके अनुसार इसे सही इकोनोमिक दिशा दें । धन्यवाद ।

THE DEPUTY CHAIRMAN: Mr. Pranab Mukherjee.

SHRI PRANAB MUKHERJEE (Gujarat); Madam, before I start, may I know how much time I will get?

THE DEPUTY CHAIRMAN; Congress Party has 2 hours 26 minutes.

SHRi PARVATHANENl UPENDRA (Andhra Pradesh): He can take two hours.

SHRI PRANAB MUKHERJEE:' I dno't want to take two hours.

THE DEPUTY CHAIRMAN; You have seven speakers plus the Finance Minister.

SHRI SHANKER SINH VAGHELA: I was going to quote our ex-Finance Minister's statement on price rise, made when he was Finance Minister but time did not permit me.

THE DEPUTY CHAIRMAN: You had enough time.

THE DEPUTY CHAIRMAN; You wanted to catch or yon wanted to quote?

SHRI PRANAB MUKHERJEE: Thank you, Madam Deputy Chairman, for giving me the opportunity of taking part in this discussion, which has been raised by my distinguished colleague who spoke just now. Tb my Madam Deputy Chairman, the discussion on price rise is almost seasonal in the sense that almost in every monsoon session, without any exception, we have a discussion on the rising prices because this is the season in which prices rise and seasonal factors also contribute to it to a considerable extent though Members may get immediately impatient and say they are tired of hearing seasonal factors, this is a reality.

SHRI PARVATHANENI UPENDRA: Explaining it away!

SHRI PRANAB MUKHERJEE: This is a really. And sometimes you have the tendency of coming to

conclusions just taking into account the rise in a paricutlar period and the trend in certain commodities. But look at the overall impact of the prices throughout the whole year, you will find the correct position.

I have a comparison be I ween two years—1982-83 and 1933-34. From that w_e find that during 1982-83 from April to August the rise was 6.5 per cent. September to December there was a minus; that means, seasonal factors played there. It was minus 2.2 per cent. January to March, again plus factor, 2.1 per cent and mately ihe annual average came to 6.4 per cent during that year. In 1983-84, April to August, it was 8.3 per cent. In September to December, when the seasonal factors contribute to th& declining trend, it was 0.1 per cent. January to March it was 0.3 per cent and the annual average came to 8.4 per cent. What I want to point out is that there are c< n commodities which have a tendency to move upwards during this period. If you take the baskets of commodities and calculate the weightage which these baskets of commodities have in the overall price indsx one is the sweetening agent group: gur, khandsari and sugar, another is the cereal group and the third is the group of fruits and vegetables—in ever.- year, without exception, you will find that these commodities contribu'e to a considerable extent to price rise. This year, according to the statement of the Finance Minister, the sweetening agents group and fruits and vegetables group taken together have contributed to nearly 71 per cent oi' the price rise. Similarly, in 1978-79 when the other side was in the Government, gur, khandsari and sugar—the sweetening agent group—alone contributed 89 per cent of price rise though that was an era of price stability. From March 1977 t_0 February, 1979 tbe wholesale _ price index registered a very nominal fluctuation from 182.9 to 184-odd. I am quoting this figure particularly because sometimes credit has been taken and certain reasons are ascribed to contribute to the price rise such as deficit financing but you will find that these things have marginal effect on it. But when I say these things I do not mean that there is no price rise or there i_s no impact on the life of the common man. There is an impact on the life of the common man and definitely we are concerned about that and remedial measures are to be taken. But, before we take remedial measures, we must try to understand what are the reasons for this rise and whether there is any serious distortion in the policy framewark or the policies pursued by the Government which are causing in this rise in prices.

My contention is that there is no lapse in the policy framework. Neither is the Budget nor is the so-called deficit financing, to that extent responsible, nor is any other part or element of the policy responsible for this price rise. There may be certain dislocations in the management of demand and supply—sugar is a classical case. In anticipating the fall in the supply as the demand suddenly rose higher and higher an import plan was made. I am really surprised to find that the demand-for sugar in one year rose up to the extent of almost 2 million tonnes. But appropriate policy decision ha_s been taken at the beginning of the season. If I understand correctly, even in the month of January the plan to import sugar to the extent of 2 million tonnes was drawn. But somehow there was a dislocation in the management and supply, maybe because of the pricing policies, as I am told that in addition to the two prices for sugar, a third element was injected,

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a separate price for the imported sugar. And maybe it was difficult at the ground level to implement that policy. However, I find from the statement of the Finance Minister in the Lok Sabha that they have changed that policy, and it is expected that the State Civil Supplies Corporations will take, rather lift, ihe quota allotted to them of the imported sugar and that the availability of the imported sugar will have a sobering effect so far as sugar price is concerned.

In respect of each and every individual item, if we look into it, we find that there is a reason and we cannot avoid the seasonal element in it.

It has been pointed out by some that the deficit financing, particularly the shown deficit to the extent of Rs. 3,900 and odd crores in the Budget proposals of the Finance Minister, has created what is known as a psychology of inflation in the mind of the people and has given an incentive, rather a psychological incentive, to the price rise. My centention is, it is not. When I went through the debates in the other House, I found that some Member had come to the conclusion, by rather taking a very simplistic approach. He took the deficit shown and additional supply demand and calculated the net deficit. The hon. Member who just spoke before me also fell into that trap. He took the shown deficit in the Budget, either the Budget estimates or the revised estimates, added the supplementary demands with it and came to the conclusion that the deficit was going to be much more. Let me explain how wrong the approach is.

In 1982-83 the Budgetary deficit the BE—I am not talking of the revised estimates—was Rs. 1,375 crores and taking the three supplementary demands together it was Rs. 3,577 crores. The deficit would be if we go by this simplistic approach of the budget estimates plus the supplementary demands being equal to the net deficit, in that case, in 1982-83 the deficit should have been Rs.3,577 crores. But actually the deficit was Rs. 1,656 crores. Similarly, in 1983-84 the deficit shown in the Budget estimates and the supplementary demands taken together, the deficit at the end should have bee$_n$ Rs. 4,526 crores, but in 1983-84 the actual deficit was Rs. 1,414 crores. In 1984-85, if we take the Budget deficit—I mean the deficit shown in the budget estimates—plus all the supplementary demands taken together, the deficit should have been Rs. 5,384 crores. The actual is not yet available. But from the revised estimates we find that the deficit was Rs. 3,742 crores. And my assessment is that the actual deficit would be a little less.

Why has it been happening? It has been happening' mainly because of the fact that when you spend in the public sector, it is not that all the money is going out. A part of it is coming back into the exchequer, not only through the economic activities but also by the public expenditure. General belief is that if you spend more your deficit increases. But it is not always true. In the public sector itself. I ami not merely talking of the return from the public sector but from the tax element also—you get back a part of it as corporate tax. And today the position is, nearly a little more than the exact figure. I do not recollect—perhaps more than 50 per cent of the corporate tax is coming from the public sector itself. Therefore, we need not unnecessarily be worried over the so-called huge deficit.

'Secondly, money spent throughout -the year? From 1st April to 6th August, when we are having debate on this subject today, we have not spent all the money. It is not that simple. One need not come to the conclusion that deficit financing is alone responsible for thi$_s$ price rise.

Thirdly when we are talking that we are keeping inflation under check, it is nobodys case that we are going to reduce the price in real terms. In a developing economy it is impossible. The Government can reduce the rate of inflation, but some amount of inflation is bound to be there in a system like ours. We cannot accept the model which the developed couptries or the rich countries take to tackle the problem of price control. Take the case of the United States of America, if they go in for huge budgetary deficit or the countries like Canada or England. I just calculated that simply by making adjustment in their interest rates they compel the debtor countries to meet a part of their budgetary deficits. One per cent increase in the interest rates in the United States of America creates a situation where $ 3 billion extra will be received by way of debt servicing from the developing countries. In other words, the developing countries in a system which is working and oprating in the world economy today are compelled to meet th$_e$ deficit of the rich countries and the developed countries. Simply we cannot accept that type of price mechanism.

In 1975 we had a negative rate of inflation. My fiends sitting on my right side talk particularly and take credit that they had only 2 per cent rise in the wholesale price index during 22 months rule of Janata. I admit that point. Even before, in 1975 there was a negative rate of inflation. But what was the economic impact in 1975? We find that even the allotted amount for planning was not spent. Definitely we cannot accept a situation where there will be no ex-pemdi'tuire in. public se-tor, where there will be no developmental expenditure and where there will be no planning. It is not our case that we will reduce price at the cost of development. We try to contain it. In five years of the Sixth Plan if you take th.$_e$ five year period in totality, i think the annual average rate of inflation was between 6.5 to 7 per cent. But the country could spend more than Rs. 110.000 crores for developmental activities and it got dividend out of it. Your oil production went up by almost three times. Your cement production went up by almost two times. The food production earlier was 127 million tonnes. Now, it went up to 154 million tonnes. At the end of plan period even with this moderate rate of inflation it was possible to have the desired growth. Ultimately the country registered for the first time in one plan period of the tangeted growth rate of 5.2 petcent. Therefore, the model or policy prescription which the developed countries have to tackle the inflation is not suitable and appropriate for a country like ours.

Now,- the question is: how to overcome this problem? My impression is that though the situation is serious and it is a matter of concern to all of us, we need not ibe unnecessarily panicky. The downward trend—I am coming to the seasonal factor—will be available to us from the month of September onwards and the annual average rate would not go beyond what it was last year or year before that. Now I come to another suggestion which is very often put forward and there I have a little different perception. What can we do about the expenditure side? There too, the hands of the Finance Minister are extremely tied. 73 per cent ot your (revenue expenditure is on defence, on subsidies and on interest payment. Questions of interest payment and reducing the subsidies are out becaus©, ultimately, we have

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reached a stage, particularly, as a alt of the recommendations of the Eighth Finance Commission, where today, the Centre is to meet its entire plan, expenditure and a part of its non-plan expenditure from borrowing. As per the recommendations of the Eighth Finance Commission the Centre is compelled to transfer 37,000 crores of rupees to the Stales and a few States will be left a surplus of 27,000 crores of rupees. On the top of it, the Finance Minister has increased the transfer from Centre to States almost to the extent of 40 per cent. So, I think at least, in this respect, all the States should be quite happy with the Finance Minister but I have my own doubts whether they will utilise it properly.

SHRI VISHWANATH PRATAP SINGH: But it has no direct relation with that.

SHRI PRANAB MUKHERJEE: But they have got a lot of money from you. That is the point I am making.

SHRI PARVATHANENI UPENDRA: Are you grudging that?

SHRI PRANAB MUKHERJEE: Yes, I am grudging because after all, what is happening now. The entire money is being spent on populism, not on plan, not on development. Your State is a classical example.

SHRI PARVATHANENI UPENDRA; Well, the Centre is also doing the same thing. *(Interruption')* .

SHRI PRANAB MUKHERJEE: I agree that the whole thrust of development should toe in the States I unfortunately a trend has developed where more money is being spent on populism on populist measures not on real development. I will not mention the name of the State.

SHRI PARVATHANENI UPENDRA: Y(u *lt@ve* already mentioned that.

SHRI PRANAB (MUKHERJEE: It is not your State. I am not coming to another point.

SHRI M. S. GURUPADASWAMY (Karnataka): Of course, the same thing is with the Centre.

SHRI PRANAB MUKHERJEE: I am showing how in a state development gets a low priority in a State in 1971-72, out of every hundred rupee revenue expenditure 13.78 paise, was! spent on developjment., Gradually, it went up to 21.06 paise in 1976-77. From 1977-78, it has started coming down and today, it has gone back to the old position, it is now 13.06 paise. When your non-developmental expenditure gets priority, how do you expect that there will be development. Look at the performance of the Sixth Plan. Centre was to spend, so fair as central sector plan was concerned, out of! Rs. 97,500 crores it was to spend Rs. 47,000 and odd crores including Union Territories. Today, Centre expenditure on plan is nearly Rs. 60,000 crores of rupees out of Rs. 110 thousand crores and the States are Rs. 50.000 crores. But this is a global figure because all the 22 States liken together have spent so much, if you go at the micro-level, quite a number of States—at least, four-five States—I ami not talking of the real terms; I am talking of the nominal terms in respect of Centre and also in respect of the State—and if you exclude four five States, you will find, most of the States have not been able f> reach the plan target even nominal terms despite the fact tha[4]- +H? net transfer during this period was much more than anticipated at the planning 'stage. That mean$_s$ at the beginning of 1980. Therefore. there is no guarantee that more transfer of money to the States would ensure development. Now coming to the third area, that what can we do to reduce the impact of price rise as it has already pointed out, it is not possible to have a situation where you can have negative rate of inflation. As j have already pointed out, it

is simply not possible to have a situation where you can have a negative rate of inflation or you can do away with some sort of inflation in a developing economy like ours. But at the Lime we have to ensure that we can reduce the impact of inflation on particularly the unorganised sector. And here too I will have to make a departure from the approach of my trade union friend. I am not so much worried over the organised sector. I have certain figures with me which would clearly indicate that so far as the organised sector is concerned, there has been some sort of proftecfion—the Central Governmen* employees, the public sector emploloyees, employees working in State Governments and even in local bodies. If we take the figures as 5 million employees working in the Central Government, as I am given to understand, about 2.1 million in the Central public^ sector enterprises, and a similar number of persons in the State Governments and other local bodies,, alto|gjether 15—20 million employees are taken care of in the organised sector. Let us see what has been the impact of inflation on them. From 1980 to 1984 so far as the Central Government emplovees are concerned, for those who aire at a basic pay level of Rs. 200, their wage increase is 80.83 per cent and during this period, 1980-84, the CPI, the consumer price index, increase is 64 per cent; for those who are drawing a basic pay of Rs. 500, their pay increase is 66.80 per cent while the CPI rise is 64 pelr cent. I am not taking into account the dearness and additional dearness allowance and other element of the pay packet. They are protected in spite of the consumer price index rise.

SHRI LAL K. ADVANI (Madhya Pradesh): Even without taking the DA into account?

SHRI PRANAB MUKHERJEE: Of cou'rse, however including the Pay Commission's •recommendations—one was made before they started functioning and the second which the honourable Finance Minister accepted Was in April, taking the risk of a» additional expenditure of a little more than Rs. 300 crores _____ these two taken together, for the basic pay of Rs. 200 the neutralisation is 80.83 per cent, for the pasic pay of Rs. 500 it is 66.80 per cent, and people with basic pay of Rs. 1500 are not getting the full neutralisation; for them the CPI inci ease is 64 and their increase is 44. Those who are getting a basic pay of Rs. 1500, I think they can bear this a little ---------

SHRI PARVATHANENI UPENDRA: What about the fall in the value of the rupee? Has it any relation with what you are saying?

SHRI PRANAB MUKHERJEEj: Yes, it is taken note of. I have not taken the whole gamut of the last 15 years or 20 years. I have just taken the last four years.

Now, so fair as the Central Government public sector is concerned, their wage increase varies from 15 per cent to 20 per cent. I think in the coal industry it is 20 per cent. Now the Finance Ministejr has also accepted the enhanced DA neutralisation formula. From 1.30 paise he has gone to 1.65 paise, and if we assume that the price index will rise 50 points it will cost Rs. 44 crores annually. Thjerefore, these sections whom we can call relatively low paid employees, have heen taken care of. But what about the others who are unorganised? This is the crux of the whole thing. And, Madam, out of a working force of 230 million in this country, in so ar as these instruments are conceVned, we can take care of only about 20 million.... Madam, you are looking at the clock. So, I will just conclude in a few minutes, in five or six minutes. Anyway, I do not want, to deprive others of their valuable time and the House of their valuable suggestions.

Madam, what I am trying to point out is that out of a work force of 230 millions in the country, we have

]Shri Pranab Mukherjee [been able to protect from the impact of rising prices, say, at best 20 millions. But what about the other 210 million? And that is the section which is the hardest hit. To my mind, there is no other instrument except the public distribution system which Should be improved. We are repeatedly saying it and something is being done and there ts no doubt about it also. But. at the same time, w<? must ensure that in each and every part of the country the public distribution system functions well. My colleague, the Civil Supplies Minister, is also sitting here. I am calling him my colleague in the sense that he is also a parliamentarian. What I want to say is that he will have to ensure that the public distribution outlets become effective and they function effectively. Wherever they are functioning effectively, particularly in States like Kerala and in certain . other Southern States and to a certain extent, in West Bengal also. . .

PROF. C. LAKSHMANNA (Andhra Pradesh): In Andhra Pradesh also. There we are giving rice at two rupees a kilo.

SHRI PRANAB MUKHERJEE: ... they are in a position to provide little relief and solace. This is the most' important thing.

PROF. C. LAKSHMANNA: We are also giving rice at two rupees a kilo and that is for the weaker sections.

SHRI PRANAB MUKHERJEE: I am talking about the relief to the weaker sections. *(Interruptions).*

PROF. C. LAKSHMANNA: This is also for the unorganised sector. When we are giving something to the unorganised secto*, why are you grudging? *(Interruptions)*

SHRI PRANAB MUKHERJEE: I am not grudgtng *(Interruptions)*. I amnot grudging and I do not mind Riving subsidized Hee to the weaker sections of the people.

PROF. C. LAKSHMANNA: This is meant for the weaker sections only. *(Interruptions)*

THE DEPUTY CHAIRMAN: Please do not disturb him.

SHRI PRANAB MUKHERJEE: But what I am minding is this; If you spend the bulk of your money only for doing this thing without investing in irrigation and in. electricity, which will ensu're larger production what is to be done then? This is what I am minding. Assiduously, Madam. in Andhra Pradesh they built-up electricity and irrigation as a result of which Andhra could be regarded as ^ the granary of the country. But, if you neglect that Part and if you just concentrate on the other part and if you also develop this philosophy that so far as the developmental pafrt is concerned, somebody else will take care of it, and so far as the popu list measure is concerned, only you will take the credit for it, therein lies the difference and the'rein lies the difficulty.

PROF. C. LAKSHMANNA: I think it is distortion.

SHRI PRANAB MUKHERJEE: It is nat distortion because I went into it and, in 1983-84, I went into the details of the developmental expenditure in the State from where the honourable Members come and they may compare, particularly in respect of these two sectors, irrigation and electricity, with any previous year and then they may know whether I am telling the truth o'r not and I am prepared to correct myself if I am wrong.

SHRI PARVATHANENI UPENDRA: Our irrigation projects are lying here awaiting clearance and we have not got the clearance from the Centre. What can we do?

SHRI PRANAB MUKHERJEE: What I am trying to point out is that you should see whether it is possible to increase the number of

commodities which you are issuing through the public distribution system, whether it is possible to enlarge it. I am afraid, somebody may come forward with fourteen of fifteen items and say that you should include all those fourteen or fifteen items. But from where will the money come if we go os> subsidizing and, at the same time, if we accept the proposition that the Finance Minister should not raise additional resources by taxing people or that tie Finance Minister will not increase the prices of commodities which Te being produced by the public sector units? I do not know from which source he can get the money and there is a limit to the money he can get. We are reaching a situation where a hard look would be necessary.

In conclusion, Madam, I would like to draw the attention of the Finance Minister to one thing. It is true that we have to take into account three major items—the defence expenditure, the subsidies and the interest rates. But there is a fourth element also and that is Dearness Allowance. Here too, Madam, I am afraid that most of my colleagues on my right side would not agree with me. But we accepted the recommendation of the Third Fay Commission that, on every 8-point increase in one year, one instalment of DA would be paid. But, today, when you have reached the CPI or Consumer Price Index level of 600 points, is there any relevance for this 8-point increase?

When in a developing economy like ours we have accepted that 6-7 per cen rise in the prices is inevitable, no Finance Minister can do away with this kirn* of rise in the prices, otherwise you will have to stop your developmental activities. Therefore, whether that 8 point with reference to 200 has any relevance when the base has gone to 600 and whether time has come when you should have a dialogue with the representatives of the employees, that was also a point. The point was debated whether we should accept 200 absolute with reference to 208 or we should go in terms of percentage. And if you assume 4 per cent increase in consumer price index, perhaps your initial instalment may be a little more. From Rs. 70 crores it may go up to Rs. 80 crores or Rs. *85* crores. I do not know. It is a matter of computation. But in that case you can reduce your DA instalment. Every year every Finance Minister is having problem with himself, because normally he shows Rs. 300 to Rs. 400 crores as lump sum amount. Rs. 300 or Rs. 400 crores is utilised for paying 3 o_r 4 instalments, and ultimately supplementary demands are necessary. And it is also posing a problem to the State Governments. The moment is Central Government releases dearness allowance to its own employees, naturally the pressure is mounted on the State Governments and they have no other option but to follow suit. Therefore, time has come, if it is necessary you can discuss it with the Chief Ministers and representatives of the employees that to some extent Government has gone out of its way in the sense that when the Fourth Pay Commission is functioning, two interim recommendations of their own have been accepted, one at the initial stage and the last was accepted in the month of April. Therefore, it is time for him to consider this aspect.

Lastly, Madam, I would like to conclude by saying that when I say these things, I do not want to convey the message that we have no concern for the people We are very much concerned. But at the same time by merely expressing concern or merely finding wrong reasons we cannot try to find out the solution.

Somebody has said that something about debt servicing, I think the hon. Member is utterly mistaken. India's creditworthiness today is very high. Only the other da_v a Swiss banker in Bombay, while addressing a luncheon meeting—a very distinguished international Swiss banker—said that

]Shri Pranab Mukherjee [India's creditworthiness is very high. And it is not a fact that our developmental efforts are being wasted in order to meet the debt services—if I heard his translation correctly. On the other hand, we have reached a stage, particularly during the Sixth Plan period that out of every Rs. 100 developmental expenditure an amount Rs. 92 are contributed by the people of India and contribution from the external resources was limited only to Rs. 8. Today our debt servicing is just 14 per cent of our export earnings which, by any economic standard, is reasonable and India has not fallen into the debt trap. Exactly this is the point which we wanted to convey that we have not fallen into the debt trap in our developmental strategy. During all these years whatever we have 'been able to achieve we have been able to achive by our own efforts, not through borrowed resources, and as a nation we can feel proud of it.

Thank you, Madam.

THE DEPUTY CHAIRMAN; Mr. Nirmal Chatterjee. You have thirteen minutes.

SHRI NIRMAL CHATTERJEE (West Bengal): What is the time allotted?

THE DEPUTY CHAIRMAN; The total time aliotted is four hours; 2 hours and 36 minutes for the Congress party alone. That comes to 13 minutes in your share. *(Interruptions)*

SHRI NIRMAL CHATTERJEE. Madam Deputy Chairman, it is not often nowadays that we are educated by our ex-Finance Minister. If not aided, by economic advisers, the kind of mistakes that one indulges in has astonished me. I am sorry to say it. Even on that simple question of 8 point rise on 200 point consumer price index, alas there is nobody to tell him that the salaries were also fixed at 200 point consumer price index and every 8 point increase means a 4 per cent increase on that 200 point. That is how these who are getting Rs. 300 in the initial period—later on modified to Rs. 400—are compensated by a rise of 4 per cent which bears an exaci relationship as 8 points compared to 200 points. If he has not made a mistake, I will foe shocked. I am surprised that he wants to cut down the level of livinig of those who are at the lowest rung in Government service.

SHRI N. K. P. SALVE (Maharashtra): What about, the unorganised sector?

SHRi NIRMAL CHATTERJEE: I will come to you.

SHRI N. K. P. SALVE; You come to them, not to me.

SHRI NIRMAL CHATTERJEE: I know you will try to salvage.

THE DEPUTY CHAIRMAN; His name is Mr. Salve.

SHRI NIRMAL CHATTERJEE: It is not worth discussing that point. Therefore, I will not discuss that point. I congratulate him for another statement. The ex-Finance Minister says that, it is impossible to contain prices and he is in line with his class brothers starting from Keynes, Samuelson or the latest Mr. Jha or even some left-wing advisers of Ihe Government of India. They have admitted that it is beyond them to have growth simultaneously with stability in prices. I congratulate him for his admission. That is one reason why perhaps they should go. They talk of growth with justice and they don't remember that it anything price rise means an attack on justice.

He has expressed many concerns. One concern is for the unorganised sector and he poses the Government employees and the organised sector against 'hat unorganised sector. H?

has forgotten to mention the real mentons, the Birlas and ihe Tatas who are meficiaries of this price rise. I give you one statement. When the price rise is taking place, with a price rise of 6 per cent, the value of the shares of the giant companies rise by 70 per cent. We can j understand who the beneficiaries are. Not a word has been uttered against them by our ex-Firtance Minister and he attacked populism. Madam, he says—and I must congratulate him for his choice of words at least—that

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under the present conditions it is not possible *to* have growth with stability and/or negative inflation. What are the present conditions? We know them. He does not know, nobody has told him and there is nobody now to tell him that in the case of 19th century when competitive capitalism was prevailing, even in the United States and the United Kingdom prices came down at the end of the century compared to the beginning of the century. There is nobody i to tell him that. Subsequently, as of today, he has carefully chosen the words—'under the present conditions, developing countries of his sort.' What is that sort? The sort is that towards the end of the last century, the capitalist world was gripped by the monopolist, and the monopolists and the State fused together, and that is why it is no longer possible to have a reduction in prices simulteneously with growth. Nobody will tell that the 19th century was not a period of growth either in output or for capitalism. Madam. I would like to go into the statistics for a while.

THE DEPUTY CHAIRMAN: You have four minutes only.

SHRI NIRMAL CHATTERJEE: I request you to grant me some more time. Madam, I thought the ex-Finance Minister would rise to demonstrate the monolithic nature of his Party against the present Finance Minister by saying, "you say that in your caue ihe prices have risen less than in my period." But, no, the monoon. But let me compare the figures. I appreciate the recent venupplying this kind of statistics to the House and to the bers. But let us know how to handle them. Let us see the figures. Only yes'erday I collected these figures. Between April and May of 1985 the prices rose by 14 points. It is distressing to consider what the relevance of the point is and its connection with percentage of growth. I am too sensible to discuss this point. I am talking of the points. Now, let us take the figures between April and May. Need j tell the present Finance Minister thai this year the Budget had a 16-day lag unlike in the previous years? Need I tell the Finance Minister that when the Budget was placed every year on the 28th or the 29th if it is a leap year, the impact of the Budget takes time I congratulate the ex-Finance Minister for slipping into the statement that there was a seasonal decline in December. The rise between April and August is the realisation of the impact of the Budget, the fiscal, the financial and the changes in administered prices. If is these which go on' operating. Is it necessary to remind even Mr. Desai that the inputs in the production process are not only material but one of the inputs is also time. One of the inputs is time. Would you deny that? You see the figures. You get a reduction - in March—minus one. This year it is minus two. Need I tell you that it was minus one when it was fjlaeed on +he 28th? Would yon deny that the Budget every year includes an impost in indirect taxes. Have you *cvc*[r] seen that an impost of an indirect tax leads to a reduction in prices? Yes. it shows a negative one. January-February period was full of it. It is minus two this year because the Budget was delayed by 15 days.

No other explanation is necessary and it is sufficient. The same is true,

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because it is called production process. It is simple economics. You understand only physics; therefore, I am explaining it in B.A. class economics. Production is a process which involves consumption of time. If you have an impost on 100 articles, then every unit consuming that output as input, would have a stock from an earlier period. When they will buy it. it will mean input for them for another 2 months or 3 months or 4 months and in this manner it goes on adding to the cost of all the items in a simple input-output matrix; matrix bel ng to your concept...

THE DEPUTY CHAIRMAN; Mr. Chatterjee, may I remind you to conclude?

SHRI NIRMAL CHATTERJEE: I have not spoken so much; T would not have said it if the ex-Finance Minister had not spoken about it. Please grant me a few more minutes.

THE DEPUTY CHAIRMAN: You please conclude.

SHRI VISHWANATH PRATAP SlNGH; He needs time also for producing his ideas; only he is imbibing wrong materials to produce his ideas.

SHRI NIRMAL CHATTERJEE: I leave it to you to convince the House, with these statistics. Therefore, my point is that these statistics have to be handled as carefully as one is requested to handle glass. Now, you go into all these statistics that you have provided. Also imagine, that you are having an effect after 15 days or 2 weeks. So you should compare your index of today or this week with the index of 2 weeks ago of last year. Only that would be a fair comparison. Even then I grant you that if last time it was 6.9 per cent, perhaps it is 6 per cent. But may I draw your attention just to another fact—and you in your benevolent mood are prepared to accept—that this .9 per cent difference will be explained by a certain fall in certain commodities, like raw jute, raw cotton, fibres and non-food articles about which we debated in this House only a few days ago? When you talk of the hurt with price rise anywhere to the people of oufl country—which excludes in my definition the top monopolists of the country—this fall in price also is an addition. It is compounded in this manner that price-rise is hurting them. The fall in prices is hurting them particularly because these commodities are the ones which are produced by thousands and thousands and millions of growers in the jountry. So this was on the questions of statistics.

THE DEPUTY CHAIRMAN: How much time will you take?

SHRI N. K. P. SALVE: Now he is coming to price rise.

SHRI NIRMAL CHATTERJEE: Only five minutes.

THE DEPUTY CHAIRMAN: We have to finish it within 4 hours and there are many speakers. Let us not raise our time.

SHRI NIRMAL CHATTERJEE: At least, there is convention in Rajya Sabha...

THE DEPUTY CHAIRMAN: No convention; I am very strict today. I want to make a new convention that we finish it in 4 hours. Please conclude.

SHRl DIPEN GHOSH (West Bengal): At least Government has failed to restrict the prices; you restrict the time.

THE DEPUTY CHAIRMAN: That is why I am restricting it.

SHRI NIRMAL CHATTERJEE: Between you and Mr. Dipen Ghosh, you consume my time. I will conclude it.

Why is it that in this century, not only for our country but anywhere, no Finance Minister, no amount of talk of socialism—or forgetting the talk—will do? The point is simply this that only in the twentieth centiir. after 1917, after the end of the Nineteenth Century, once again, growth accompanied by stability in prices had been witnessed in the social- world.

SHRI N. K. P. SALVE: Hear, hear.

SHRI NIRMAL CHATTERJEE: Mr. Salve knows about this. He does not know about the Chinese data. He questioned Mr. Sathe the other day about this. But he knows about this.

SHRl N. K. P. SALVE; Only thing is that they keep it a secret.

SHRI NIRMAL CHATTERJEE: Why is it so? Because of, primarily, the control of resources by the monopolists in alliance with the State. This is true for all the countries connected with the capitalist system. The other things are expressions of this control. In your case, you say defence is a necessity. The same is said in the United States. Star wars is a necessity for them. All these are necessities. This we know. Monopoly capitalism does not permit you to mobilise resources in any other way than by raising prices. The raising of prices; is the instrument which is also fashioned hy deficit financing. The ex-Finance Minister, in his wisdom, suggested that it is all wrong. The supplementary budgets, over the deficit intially assumed, do not give the final deficit. True. He covers up, by this statement, the other truth that every year, the budget estimates were exceeded in terms of deficit. It is this point, this tendency, that has to n. Certainly, we know about supplementary budgets. What he said is elementary. He could have avoided educating us on this. Then, we add up. We know, there will be revenue collection . We know, there will ibe savings in other directions. We all know that. Yes, the broad tendency remains, that the final accounts show a deficit which is higher than the budget estimates. Now, if the growth is not adequate, if there is higher deficit...

THE DEPUTY CHAIRMAN; Mr. Nirmal Chatterjee, the deficit of your time i$_s$ past. Now, Mr. Sukul.

SHRI NIRMAL CHATTERJEE: The second is administered prices; the third is indirect taxes; fourth is monopoly profits and capitalism in its full glory, that is, black operation.

Now, is there an alternative? I am concluding, Madam. Is there an alternative? The fundamental alternative is, of course, if the State controls all the resources in the economy. And if that State is controlled by the people in the full sense of the term.

SHRI N. K. P. SALVE; Within a democratic set-up? Is it?

SHRI NIRMAL CHATTERJEE: Yes, within a democratic set-up which will permit you to function, but not to avoid taxes. Now, Madam, within the present framework, can we do something to mitigate? We can. He has mentioned very kindly, forgetting for a moment that this is not populism, the strengthening of the public distribution system. Something more can be one, even within the framework of capitalism with you , have got. One is... (Time *bell rings')*

THE DEPUTY CHAIRMAN; Mr. Chatterjee, your time is over. Anything you say 'beyond this point will not go on[1] record.

SHRI NIRMAL CHATTERJEE: Madam, I am concluding. The point is, you try to have control on whole-

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sale trade. You try to have control en wholesale trade and on the monopolists. Then, you will see you have a better control on prices. It will be an expression of this. Only if you do this—this needs to be told—can you have a public distribution system. Otherwise, you will not be able to mobilise the required amount of output even for the purpose of distributing to the poor. If you want to win, if you want to be 1here, after the next hustings if you want to have the future which is different from that of Mr. Pranab Mukherjee, I welcome you to 1his kind of steps.

SHRI P. N. SUKUL (Uttar Pradesh): Madam Deputy Chairman, there is no denying the fact that the spiralling prices of essential commodities have badly hit our people, especially the common man. I entirely agree with our learned colleague Shri Pranab Kumar Mukherjee who spoke before me that those in the organised sector are somewhat protec*ed, but he himself was good enough to tell us that a certain section was protected up to 80 per cent, certain section was protected up to 66 per cent, and a certain section was protected up to 30 per cent, while others were not protected. So, even those in the organised sector have to face erosion in their real incomes. If we study it and take it over a number of years, maybe, in one particular year it is not so much, it is only 7 per cent or 10 per cent, but over a number of years it becomes quite large. As regards the impact of price rise over a few years, let us take the case of urban non-manual workers. The price index for urban non-manual workers was 100 in 1960, 174 in 1970-71. 446 in 1982-83 and 540 in Aoril 1985." 4

I The Vice-Chairman (Shri Pawan Kumar Bansal) in the Chair]

It means, during the last 14 years there has been a rise of 550 per cent in the price index meant for urban non-manual workers, but have we been able to compensati those 14 years by 550 per cen;? Have their emoluments been increased to five and a half times? They en increased to that exten, and the result is that all these people in the fixed income group, in the salaried class, are of course facing a lot of difficulty because of the price hike. No doub\ Madam, those in the unorganised sector, their condition is still worse.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL); There is a change here.

SHRI P. N. SUKUL; I am sorry, I did not take notice of you, I am sorry.

Sir, the landless labourers, the tribal people and the economically backward people, their condition is really bad, and especially that of those living in the rural areas their condition is still worse because even our public distribution system is not ,able to feed them or provide them with the necessities of life -as we want it to be. However, Sir, it is also a fact that the recent price rise has not been only due to the budget. Cert«in things are there in the budget certain levies are there in the budget, but it is a fraction of all that. For example, after the presentation of our budget, the price of wheat showed a decline in Rajasthan, edible oils showed decline in Haryana. Punia'b. Chandigarh and Kerala. Gram dal i.e. channa dal came down in Meghalaya. The price of tea immediately came down in West Bengal after the budget came and the oils were steady for all practical purposes. So, Sir, the main price rise has been in sugar, in pulses, in kerosene and vegetables. And what is baffling indeed is that in spite of adequate stocks of sugar in our public distribution system the price of sugar has risen very high.

As regards the rate of inflation, Sir. again I will take the instance of the last month, i.e. of 13th July and 20th July. In 1983 Ihe annual rate of in-

flation was 7.2 per cent, in 1984 it was 9.3 per cent. In 1985, it has been 5.6%. As regards the annual rate of inflation, on 13th July we find it is the minimum. Similarly in the week ending 10th, July in 1983 it was 7.7 per cent in 1984 it was 9.6 per cent and thfe time it is 5.4 per cent.. It shows that within a week, from 14th July *to* 20th July, the 5.6 per cent inflation came down to 54 per cent. It means that there is a definite improvement. Again, Sir, as the Finance Minister has already told this House earlier, the rate of inflation during April-June period has been the lowest in the last 7 years. That is, it is only 34. per cent. So as regards this Budget and the price rise since this Budget, there is nothing wrong about the Budget. Rather this Budget has been hailed by all concerned. It has provided so many reliefs to so many sections, so many securities in the rural areas, to the working class people and others; so there is nothing wrong with our Budget, with Dur financial management But there ig certainly isomething wrong with the management of our distribution system. It is the distribution side of the whole thing that really calls for our attention. Our Food and Civil Supplies Minister, Rao Sahib, himself admitted in the Lok Sabha on 2<3th April 1985, when there was a CaUing Attention Motion on price rise in the other House, that the price rise was there, but it was rather disproportionate. According to him, on the one hand the traders were creating an artificial scarcity of certain commodities, on the other hand the State Governments had failed to tackle the hoarders and black-marketeerR. He had assured the House that the Centre would now be over-vigilant after the debate. But, Sir, I find that the Centre perhaps has not been over-vigilant after the debate, because the same state of affairs still prevails and all those hurdles, obstacles and difficulties are still being faced by the people.

Rao Sahib had also said at that time that a second channel of supplies was a must to keep the prices down. But he had also said in the same breath that the commodities in short supply could not be channelised like that. If the commodities in short supply could not be channelised through the public distribution system, how are they going! to be channelised? What are you going to do to cater them to the people. And if I am not mistaken, Rao Sahib was good enough to say at that time that the shopkeepers should display price-lists of different commodities along with the taxes chargeable on the same and that the district authorities should ensure that all the shopkeepers do this. But even today after a lapse of, say, 3 months, we find that no shopkeeper displays such price-lists alongwith the taxes chargeable on the pricey of those commodities. It means that virtually there has been no improvementi during the last 3 months. You might have imported a few commodities to strengthen your s-tockfc, but that alone is not sufficient, because all the time you cannot go on importing. Imports have to be there, but not for all times to come.

As regards profiteers and black-marketeers, for which the State Government^, or others are responsible, I may tell you that we may take action against hoarders—we can raid their premises and find the hoarded things and take action against them—but We are not in a position to take action against profiteers. You cannot prove it; you cannot show that they have been profiteering, that they have amassed wealth irregularly which they should not have. If you really want to check profiteering there is only one way out—the prices of all the commodities should be fixed for the wholesale as well as the retail market.

For wholesale you fix the prices, for retail al*o you fix the prices. Then there will be no scope for profiteering. If you really want to stop profiteering, you have to fix the prices at both the levels. ,,

[Shri P. N. Sukul]

No doubt our public distribution system has to be strengthened. There have to be adequate stocks in the shops but it has also to be ensured that the weaker sections of the people, at least in the rural areas, have access to your shops. Today our people in the rural areas complain that they do not get sugar. I know of areas where for several months the villagers do not get sugar; they haven't get sugar. In urban areas we get sugar at the rate of one kg. per unit per month. In the rural arears they get sugar at the rate of one kg, per card or per family. Even if that small amount of sugar those people are not able to get in the rural areas because of our defective public distribution system, who is responsible for this, who is going to improve the matters? So, I very humbly tell Rao Saheb, who has only recently taken aver this Department, that there is something basically wrong with this Department and, therefore, apart from adequate stock which we should have we should also have random checks and inspections of these stocks and our employees should go-to the rural people and try to have their views on the subject whether they have been able to get supplies from the shops or not because what happens is in the villages only those who are important get these materials or, otherwise, the materials are sold in the black market. So, these things we have to ensure so that the benefits that we want to go to the people really accrue, really trickle down, to the grasis-roots level.

In view of the fact that about 1.5 million tonnes of edible oils had to be imported in 1984-85 and one million tonnes of sugar has been imported in 1985 and there has been and there is an annual shortfall of 300 tonne® in pulses also, we have to formulate, in fact, such a policy as may ensure such growth of those commodities a* may be sufficient to meet the likely demands at a future date. If we cannot foresee that and if we cannot produce to that extent, we will have to go on importing thing? in a big way and that will not be helpful so far as price rise is- concerned. Then we will not be able to contain our prices and we will have to pay to our employees and staff DA, this and that and all that will fail to satisfy them and there will be dissatisfaction amongst our people. *(Time-bell rings)*

There are so many things to say but the time is short. Take vegetables, for example. It is a matter of satisfaction that at least oniorj<; and potatoes are selling in the market at Rs. 2 per kg. Even the common man can at least have vegetables by way of onions and potatoes. About other vegetables, of course, the prices are soaring high not only here but almost everywhere. Day before yesterday I was in Lucknow which was a haven for vegetables. But I found that so many vegetables are being sold in Lucknow at the same .rates as in Delhi. Of course you cannot control vegetables +o that extent. But what I was going to say in that, in fact, immediately we should have two kinds of policies-a short-term policy and a long-term policy. A* a short-term policy, of course, we have to arrange for supplies through imports, we have to streamline the public distribution system and. of course, have checks on hoarders and blackmarketeers. That should be our short-term strategy. As a long-term policy we have to ensure adequate production to meet the likely demands.

In the end one more thing I will say. In our country we find a lot of land lying waste on both sides of the railway track. Except, of course, in Kerala you will see that this land is lying waste throughout the country.

Thousands and thousands and millions of hectare of Iand is lying waste. We can utilise it. The foreigners who travel by our rails must be marking all these things, why so mcuh land is lying waste. Of course, in Kerala this kind of thing is not visible there. In Kerala they grow even

on those stretches of land. But generally we do not utilise the railway land. My suggestion is that the Railway Department should either hand over this land to the State Agricultural Departments or have its own Agricultural Department to cultivate on this land, if nothing else, at least vegetables, and then we will be able to control the prices of vegetab

Thank you.

SHRl V. RAMANATHAN (Tamil Nadu): Mr. Vice-Chairman, Sir, the abnormal rise in the prices of the food products is creating a l)t of difficulty to the common man, particularly in the rural areas and the unorganised sector of the labour class and the working class. The overall agricutural output in 1984-85 was more than expected. It exceeded 156 million tonnes last year. Anyhow, the price rise is there. The wholesale price index in 19<80-81. having 1970 as the base year was 218; in 1985 January it as 293.8; in July, 1985 it wag 323.4.

The consumer price index also hav. ing 1960 as the base year, in 1380 it was 390; in 1985 it was 600. The consumer price index is going higher and higher. Even subsequent to the Budget, previously, the rice was selling at Rs. 8 per kg, but now it is Rs. 34. Sugar was selling at Rs. 5.50, but now the cost is Rs. 6.10 Pepper was sold at Rs. 30, but now at Rs. 60. Potato then at Re. 1, hut now at Rs. 1.50. Milk then at Rs. 2.80, now Rs. 3.40. Like that, there is rise in the prices of nil the essential commodities of foodgrains.

There is a very high increase in the price of sugar. I* is a very important product. The price rise is die to the defective distribution policy of the Government. It was expected that the production of sugar would be of the order of 60 lakh tonnes this year. Previously, two or three years before, we were expecting to export sugar because our expectation was that we will reach more than 1 lakh tonnes of sugar. Last year only 60 to 64 lakh tonnes of sugar was produced. But because of the defective distribution system under which 65 per cent is to be given as levy sugar and 35 per cent as free sugar, out of these 65 lakh tonnes produced. 57 per cent of sugar was taken for free distribution, and there was a heavy fall in the levy-sugar distribution. Therefore, the levy sugar was not given for proper distribution. It was stated that there was a heavy import of sugar. That sugar has not reached the distribution system in time. Because it has not reached the distribution system, it has not been given to the public properly. So, there is the heavy price rise.

Moreover, the cost of production of all the agricultural products is going up higher and higher. Because the production cost is going higher and higher, the cost of other products is also going high. That is why the common man is -not able to purchase the agricultural products, for example, sugar,.paddy and other things. When the conventional agricultural operation was going on the cost of production was lower. Despite using the mechanised agricultural implements, the production cost is going higrfer and higher. This is very deplorable. The agriculturists are not getting their returns in proportion to their expenditure. As a result of this, the production has fallen down. Thsy are not able to get what they are expecting. The production cost is going up and in this process the agriculturists and consumers are suffering. The ;s community which is acting as a trader between the agriculturists and the consumers are making huge profits by hoarding and blackmarketing. The business community is solely responsible for the price risr

On the other day in this House, the Food Minister has said that he would take severe action against sugar factory owners if they are not going to release the sugar for public distribution. In this connection, I would like

[Shri V. Ramanathan]

to ask the Honourable Minister: after his statement in this House, how many sugar magnates have responded? What action he has taken against the defaulters? The Government is not taking any action against these magnates and tnat is why they are creating this artificial scarcity. This is one of the reasons for the price rise. If appropriate action is taken against these people, I think, the price rise can be brought under control to some extent.

Thank you.

SHRl JAGESH DESAI (Maharashtra): Mr. Vice-Chairman, Sir, I was hearing this debate very patiently. I heard our hon. friend, Shri Nirmal Chatterjee who charged the Government. I thought he would speak something regarding action against hoarders and blackmarketeers, but he had only expressed his anger against the Government. I also thought he would take Tatas and Birlas to task, but he only want to attack the Government for political reasons.

Sir, today the price rise is affecting all of us especially those who are not in the organised sector. The kisans, mazdoors and people like me and you are affected by this price rise. Is it because of levy in the Central Budget? If it is so, to what extent and on what items?

As regards sugar and gur the price rise is very steep. Is it because the price rise in other essential commodities has affected the sugar price? The prices have gone up to some extent because of the levies in the budget. But the major part of the price rise is on account of some other factors also. Just now the former Finance Minister has also sad that the seasonal factor is responsible for the price rise. I do not accept this theory of price rise on account of seasonal factors. Why. prices should be increase ed because of the seasonal factors? Do we give more prices to the farmer give more prices to the farmers? Sugarcane prices, have We given more to the farmers? lias the cost of production of sugar gone up? If it is not so, then why sugar prices should be allowed to go up. I never accept this theory. In a socialist society prices cannot be determined by the forces of supply and demand. Supply can be curtailed by artificial factors, by not bringing the sugar in the market, by keeping the sugar in the sugar mills, by many methods, sugar cane supplying can be curtailed and ap such, the prices should be dependent on the cost of production, on cost and fair margin of profit and that should determine the price and if there is some thing wrong in the prices, then government must intervene. But how can the government intervene? Sir, on several occasions ministers have pious hopes that the business community will come round. I am happy that yesterday or day before yesterday, our Civil Supply Minister told the businesmen and traders and the industry to behave properly If they do not do it, then proper action will be taken. But what action we can take? As regards the implementation of the Essential Commodities Act. Mr Rao Birendra Singh cannot implement it. It is in the hands of the state governments. Only he can give th° dirpctions. He can discuss with the concerned ministries in the state department and chalk about plan or programme. How we can see the prices can be under control and according to me Sir, as far as hoarding is concerned you can take action because the quantities are prescribed for the whole-salers and retailers'. If the stock exceeds, you can taken action. You can arrest them. But what about profiteering? How are you going to arrest this profiteering what yardstick you have got? You have no mechanism by which you can say that there is orofiteering. You can say all right, but on the board the prices and if someone charges more than the prescribed price, he will be arrested and action taken

against him. What about the prices? There was isuggestion that you should fix the pricec, of some commodities. I do not agree that for one reason, in different States, different factors are responsible for cost of production. The cost of sugar may be higher ini Maharashtra than in U.P. Then in Maharashtra, pulses may he more costly than in Rajasthan, and as such, I feel, a time has come now when the Government must fix the margin of profits at wholesale, semi-whole sale and retail level and if this is done, you can have negotiations with the traders associations. You can have some exports and then on some commodities of daily necessities of life, you have to fix this margin of profit. If you do it. I feel, there will not be any hoarding. Nobody will hoard because if he hoards, he will lose his interest. He has to pay go-down charges and as such, once you fix the margin of profit and if it is sold on first come first sold basis at that proper margin of profit, then there will be no profiteering. Other wise, it will result in profiteering. First of all, you can have this experiment voluntarily and after that, if the traders do not behave properly, bring it up statutorily. I am sure, from my own experience in Maharashtra, i can say that this can be implemented provided we have will. Provided we have good machinery and that we do not have good machinery and therefore we cannot do it, please do not say like this. This is my humble suggestion. Secondly, as far as sugar is concerned, bitter sugar, very bitter sugar. I have to make several suggestions provided it is given *to* the people at reaso7iable prices, then only it can become sweet, otherwise, it is a bitter sugar. I cannot understand why portion of sugar was sold on tenders? Why at all? Imported sugar should have been channelised only through our fair price shops at Rs. 4.40 where we are purchasing at Rs. 2]-. Yesterday, the Minister very rightly pointed out that if I fix the lower price, there would have been hoardng. If it had been fixed at a lower price, there would have been hoarding. If you had sold it through our public distribution system there was no question. If this total sugar its channelised through our public distribution system then there will be more availability *to the* poor people and by that method you can reduce the price erf open sugar. I cannot, therefore, approve of selling it in tender. Contrary to the assumption, it will be sold for Rs. 7, Rs. 8. So, that was the fundamental mistake done by the Government and I feel in future such mistakes should not be committed by the Government. Fifty thousand tonnes may appear a very small quantity, but it affects the price of Bugar. So I request the honourable Minister that in future this kind of machinery should not be created and it should be sold in the same Way as edible oil and other things are sold through our public distribution system. We have done it in the past... (Interruption) Then you sell it for 4.40... *(Interruption)* Then I want to sell at the same price. In that also you have got a margin of profit. But you cannot sell at lesser price. You cannot sold it at a lower price than levy price.

SHRI SHANKER SINH VAGHELA: Sugar production is the only remedy.

SHRI JAGESH DESAI; It has been said that consumption of sugar has gone up 2.5 times in the last four years. The figures may be right or wrong. But I am not logically convinced about that that means 50 per cent people cannot buy extra sugar because they are below the poverty line. Even of the remaining 50 per cent I don't think more than 20 per cent can consume more sugar than othere. I am told that the pattern has changed. People who were eating gur are now taking to sugar. In that case, why should the price of gur have gone up? The price of gur has gone up by 36 per cent. In that case gur must have been consumed less and the price of gur should have been le,ss. Then it means that the remaining 20 per cent, the con-

[Shri Jagesh Desai]

sumption of that segment of people who can afford to have sugar, it has gone up by 10 times. Something is wrong somewhere. I request the honourable Minister to inquire about it. I feel sugar consumption in the lafst four years cannot go up by 2J times.

As regards money supply position, on 2t6.6.1&85 it was 1,08,408 crores and on the same date last year it was 90,308 crores. That meams the increase wa$_s$ 16.7 per cent. In the last one week, that is, from 14-6-85 to 21-6-85, it ha$_s$ gone up by 675 crores. We have to be very careful about the money supply. We have to see that as little money is pumped in as possible so that prices may not go up. .And that is what I want to tell the Finance Minister. If every week it goes up by 675 crores, that is bound to affect the priee$_s$ in general. We have to take steps to check the money supply.

Regarding bank credit, as on 21-6-85 it was 49,419 crores when it was 42,43® crores last year on this date that means, the bank credit has gone up by 16.6 per cent. I would like to ask the honourable Minister for what purpose this credit ig given. Is it given on finished goods or on mass consumption item$_s$ or it is given on industrial goods? I would request the honourable Finance Minister to see that no advance is given on finished goods because, in that case, the finished goods will be lying in the godowns of the industrialists and will not come into the market and this will create an artificial scarcity and then the prices will go up. So, you have to see that such advances are not given on finished goods. They should be given on raw materials only and not on finished goods. I have that the Finance Minister will give thought to this and see that this is not done.

Now, the prices of grams are rising; prices of besan and other mass consumption Items are going up; and the prices of the items of daily consumption are going up. We must strengthen the public distribution system. We mmst have mobile vans in the remote villages. We must have mobile fair price shops in the remote villages where the poorest people live, where the adivasi$_s$ live, for whom this is meant, so that the adivaM people can get these goods. Not only that. W$_e$ have to extend this system to cover other items also. Pulses should be given through the fair price shops? Why not? Then, you have what you call the licensed capacity. Why are you not allowing the licensed capacity to be utilised fully? The assets are there. You spend money o.n buildings and on machinery. But you do not allow them to utilise their installed capacity to the full; you allow only the sanctioned capacity. This I has to be reviewed. The units which are producing the items meant for public consumption should be allowed to utilise their full installed capacity so that more and more goods shoud be produced. Thi$_s$ alone will check the prices. There are flour mills, oil mills, ric$_e$ mills, cloth mills etc. I do not know what the hitch is in allowing them to utilise their full licensed capacity. The full capacity of these units should be allowed to be utilised for production of good which are meant for mass consumption. I will go a step further and say one thing: Why are you not allowing the licensed capacity to be utilised fully? Suppose the licensed capacity of a unit is ten thousand tonnes and the expenditure or the cost is one lakh of rupees, it means that the cost comes to ten rupees per tonne. But, if you allow only 50 per cent of the capacity to be utilised, then th$_e$ cost will go up by a hundred per cent. So, if you want to reduce the cost of production, you must allow them to utilise their licensed capacity to the full. Now it is not merely the Finance Minister or the Civil Supplies Minister who is responsible for thfe, but it is the whole system. It i$_9$ the State Governments who have to implement this. Therefore, I would urge upon the Food and

Civil Supplies Minister to call a meeting of the State Chief Ministers or . the Civil Supplies Minister of the States and chalk out a plan and a method by which the seasonal factors are not allowed to come in and affect the consumers and also to see that those who take advantage of the seasonal factor* are brought to book. With these words, Sir, I would end my speech Thank you.

THE VICE-CHAIRMAN (SHRi PAWAN KUMAR BANSAL); Yes, Mr. Gurupadaswamy.

SHRI M. S. GURUPADASWAMY: Mr. Vice-Chairman, Sir, when Shri Pranab Mukherjee spoke, I had feeling that he must have been suffering from the hangover of his past day|B. He proceeded on a beaten track and he spoke as expected by all of us. I congratulate my friend, the Finance Minister, Shri V. P. Singh, that he is rather fortunate that he at least has got a Man Friday to defend him. Mr. Pranab Mukherjee said that there *is* nothing wrong with the policies of the Government. He said there was no» thing wrong with developmental policies. He said there was nothing wrong in allocations. He also said that there was nothing wrong in inflation. Now I am wondering what is wrong? If everything is right, nothing is wrong, then why are the prices rising relently? There is an upsurge and a general hike in the prices of all commodities. If there is nothing wrong, why is this phenomenon happening.

Since the time is very short, Mr. Vice-Chairman, I would like to give to my hon. freind, Mr. V. P. Singh, a few figures, because figures have their own story to tell, because he is fond of figures; though I am not very much enamoured of figures. But still the figures, I think, on this occasion will reveal more than what I say about the truth, ugly truth. I am not just talking of rise in prices during the last three or four months because I know that the Minister will say prices have risen because of seasonal fluctuations. I do not want to hear a seasonal reply to my argument. I would like to give, therefore, a few figures for the benefit of the House and for the benefit of my hon. friend, the Finance Minister, so that he may ponder over these figures and he may come to his own conclusion.

Mr. Vice-Chairman, I go back to the year 1949. I give these figures because there is also no time for argument. If you take 1949 as the base year, the rise in the general price level in the year 1961 was 126. In the year 1984 the price rise wars 700— the general price index. If you take the food index, in 1961 the price rise was 126 compared to 100 in 1949. In 1984 it was 699. If you come down to February 1985 the general price rise was 711 and the rise in food was 694. If you take 1960-61 as the base year, the general level of price rose to 104 in 1961. In the year 1984 it was 579. If you take the food index, in the year 1961 it was 109. It rose to 604 in 1984. If you take February 1985, the general price index was 585 and food index was 600. Then, take the money supply. If you take 1960-61 as the base 5 P.M. year, the money supply in the year 1961-62 was 103.3 per cent. In the year 1983-84 it was 1140.5 per cent. What is the picture of the real national income? In the year 1960.61. it was 100 and in the year 1983-84 it was 222, Take prices. It was 100 in 1960-61 according to this tabulation. IB the year 1983-84 it was 511.9. The index of national income, taking 1960-61 as the base year as 100, was 529.3 in the year 1984-85. It means that during these years the money supply increased by 11.2 per cent per annum. The national income in the whole period has increased at the rate of 3.5 per cent. The increase in prices all these years is 7.4 per cent,. This is another set of figures I am giving you.

Now our friends have referred to the recent trends In prices. There has been an upsurge in the prices of

[Shri M. S. Gurupadaswamy]

commodities during the last few months after the budget was passed. In all the three groups of commodities, manufactured, fuel and primary things there has been an increase of prices without exception. There has been a price increase of 4.2 per cent compared to the same period last year. If you take 1984 and 1985 together, both the years ending May, then the increase will be 14 per cent. As I said, the increase of prices during this short period has been 4.2 per cent more than that of last year ending June. That is the rise last year ending June was 3.3 per cent. It is 4.2 per cent now. The liquidity build-up for the economy between March 1985 and the 3rd week of June 1985, te. money supply, is about 5 per cent. There has been a spurt in prices or hike in prices in almost all the commodities and particularly in the essential commodities. My friend was quoting vegetables and fruits. There has been an abnormal rise of prices of vegetables and fruits. I think it is 36 per cent or so. It may be due to exports or whatever it is- (Time bell *rings)*

There has been a general trend of rise in prices all these years. It is not merely a seasonal fluctuation. Perhaps, you will find after the end of this year that the same pattern of price rise is being kept up. There are three or four reasons for this price rise, according to me. I have no time to develop my argument. One is colossal deficit financing which has been resorted to by the Government. For the last seven years, we are having revenue deficit. As my friend Mr. Pranab Mukherjee has said, the whole development process depends upon borrowed money today. And all our savings had been eaten away. Even for our day-to-day expenditure, for our maintenance expenditure, we have to borrow money because there is a revenue deficit. The Government- development expenditure has been however kept up throughout at a particular level. Non-developmental expenditure also is not rising very high. I concede that. But the more disturbing aspect is that there is an increased resort to deficit financing. There has been deficit financing last year to the extent of Rs. 3000 and odd crores. This year the deficit will be nearly Rs. 5000 crores. How can we say that economy will absorb it? This is one of the factors for general rise in prices. The second factor is that there has been an all-round tax increase, particularly in indirect taxation. We are giving relief to direct taxation. My friend. Mr. Vishwanath Pratap Singh has given more money to the rich people to purchase. Relief has been given only to the affluent class. Direct taxes have been reduced. In other words, more money is in the hands of the rich people, whereas there has been a general increase of indirect taxes on all commodities. Besides, there has been an increase in transportation cost. *(Time* bell *rings)* I am coming to the last two or three points. I will finish. I am conscious of the time. That is why I am cutting short my speech, otherwise I would have elaborated the whole thing. So, the reckless increase in indirect taxation on all sorts of commodities is another reason for the price rise. The third reason is that the administered prices have been increased, hiked without rhyme or reason to cover up the inefficiency of the public sector. Public sector has proved to be a drag, a burden on our economy. With a view to save the public secto$_r$ and to cover up inefficiency there, the Finance Minister has resorted to a hike in the prices of the public sector commodities. This is another reason for the price rise. The fourth reason is the mal-distribution of commodities, as has been referred to by many hon. Members. The distribution system is hopeless, ineffectual, corrupt weak and inefficlient. We have been having this distribution system for so many years, for the last 40 years since the War began. Even today it is not streamlined, it is not perfect. People are

not getting the essential commodiUe'- through the distribution system. This is another reason why there is price increase. The last reason is misdirection and mis-application of funds. As a result of this, capital-input ratio is rising very high. You should tell me the latest figure of the capital and input and output ratio. My information is, it is somewhere 1:5. Nowhere in the world, the input-output ratio is so alarmingly large and disproportionate as it is in India today. In Western countries, this ratio if 1:2; it does not exceed. This shows gross inefficiency on the part of the Financ* Ministry and administration. I say it is because of the bungling of this Government, because of the policies of the Government that there has been price rise and hike in prices. My friend, Mr. Pranab Mukherjee said that there is nothing wrong in the policies and strategy. The biggest devil is the Government, the Government policies, its handling of the economy. The whole economy is in doledrums, in a chaotic stage. I am afraid, we are going to end up by the the turn of the century poorer than we are. As it is today, within a short time of 4 months— you take the statistics— ten million people have gone below the poverty line as a result of this price rise. Therefore, Mr. Vice-Chairman, I would not say much; you have no time; I have no time; and you don't give me time...

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): You have taken 18 minutes.

SHRI M. S. GURUPADASWAMY: Even his man Friday cannot save him from his predicament.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): Shri Jacob.

श्री मुख्तियार सिंह मलिक : (हरियाणा): वाइस-चैयरमैन साहब, मेरा नाम तो बिल्कुल उड़ा दिया या क्या बात है ?

उपसभाध्यक्ष (श्री पवन कुमार बांसल) : उनको बोलने दीजिए, अभी आपको बताता हूं ।

Let him continue; I will let you know.

श्री मुख्तियार सिंह मलिक : ना, कंटिन्यू का क्या हुआ? यानी कोई क्राइटेरिया ऐसा है कि इस लिस्ट के अन्दर जैसा चलता है, या तो उस हिसाब से ...

उपसभाध्यक्ष (श्री पवन कुमार बांसल): नहीं आपका नाम नहीं आया है। आपका नाम उधर से नहीं मिला ।

श्री मुख्तियार सिंह मलिक : है कैसे नहीं—यह लिस्ट वैसे ही बनी हुई है ।

उपसभाध्यक्ष: (श्री पवन कुमार बांसल) : यह लिस्ट नहीं होती । उसके बाद और लिस्ट होती है । आपका नाम जो लिस्ट उधर से मिली है उसमें नहीं है । आपकी पार्टी की तरफ से आपका नाम नहीं है ।

एक माननीय सदस्य : यह लिस्ट आपने वैसे ही बना दी है ।

उपसभाध्यक्ष (श्री पवनकुमार बांसल) : जो पार्टी की तरफ से नाम आये है, उसमें आपका नाम नहीं है ।

श्री मुख्तियार सिंह मलिक : यह, लिस्ट मैंने तैयार की थी ।

उसभाध्यक्ष (श्री पवनकुमार बांसल) पार्लियामेंट्री अफेयर्ज की ओर से जो लिस्ट आई है, उसमें आपका नाम नहीं है ।

श्री मुख्तियार सिंह मलिक : सेक्रेटेरिएट जो हैं करने वाले, इसके अन्दर तो पता नहीं है कि इसमें भी कोई पार्टी की तरफ से चलता है । काल-अटेंशन में तो पार्टी का चलता है, लेकिन यह ...

उपसभाध्यक्ष : (श्री पवन कुमार बांसल) : मलिक साहब आपका नाम लिस्ट में नहीं है ।

The names are given only for the purpose of raising the discussion. This has been done.

श्री मुख्तियार सिंह मलिक : जैसे मेरे बोले बगैर यहां पर कुछ होगा ही नहीं।

उपसभाध्यक्ष (श्री पवन कुमार बांसल) : पार्टी की ओर से जो लिस्ट आई है, उसमें आपका नाम नहीं है।

Now Please let him speak.

श्री मुख्तियार सिंह मलिक : यह काल-अटेंशन है जी या ...(व्यवधान) यह जिसने किया है पार्टी की तरफ से किया हुआ था। ...(व्यवधान)

SHRI M .M. JACOB (Kerala): Mr. Vice-Chairman, already my time is lost by two minutes.

Till I listened to Mr. Gurupadaswamy, I never thought that I will confine to the immediate necessary of price management...

SHRI M. S. GURUPADASWAMY: Because Mr. Pranab Mukherjee dragged me to that.

SHRI M. M. JACOB: Mr. Gurupadaswamy was very emphatic and very forceful in presenting the case that price rise everywhere, all over in our country, is due to fiscal policies and the policies in the budgetting. Sir, I w; \ thinking o* the pre-hudget days and present months regarding several commodities. It is a fact that prices of fruits and vegetables or gur and sugar have gone up by almost 71 per cent. But at the same time, for example, take the case of coconut oil; the price of coconut oil has crashed; price, of jute has crashed and if you want statistics, there are figures of several non-food articles and certain other items which have not shown any increase in price; on the contrary, their price has shown some decline and decrease. But Sir, it is not a fat that the Budget hss been tbe instrument which is responsible for the rise in prices, at this moment. There are varioua other factors also responsible for the slight variation in the price structure, I da not d«*r the fact that there has been rise in prices in the case of some commodities at tni$_s$ time. We ar$_e$ all concerned about the price increase. But when we talk about the wholesale price index moving $_u$p> 4.2 per cent a$_s$ he put it and 4.5 per cent as per some others, we should also take into account the fact that it was 6.3 per cent last year during the corresponding period. Sir, there is an old saying. Man i$_s$ so constituted—this is about human nature in general—as to see what ls wrong with a new thing. The Finance Minister precepted a new fiscal policy and a new strategy. Say not what is right. To verify this, you have but to submit the new idea to a committee. They will obliterate 90 per cent of the Tightness for the sake of 10 per cent of wrongness. This is human nature.

Now, here, we should not also forget that the wheat price is steady. The rice price ig manageable. We have been able to contain the prices to a manageable extent. The same is the case with regard to inflationary rate. Last year, the inflation was 9.8 per cent increase. This year, it is 5.54 per cent taking the last figure, as on 20th July. I am not wasting the time of the House because the time constraint is there. I am conscious about it. I was only saying that when we look at tile overall situation, we have to look into the other factors, various other fronts, in regard to price management.

Sir, I agree with some of my colleagues that we have to emphasise more on the public distribution system . It i$_s$ also a fact that ihe Centre alone or the Minister of Civil Supplies alone cannot manage the public distribution system and the price situation. We need the co-operation of the States and various other agencies. In this connection, I would like to point out that the purchasing capacity of the people in the rural areas ha$_s$ also gone up a$_s$ a result of We IRDP and NREP programmes. The demands of the people wfio" nave

come above the poverty line are also more today and they also contribute towards the increased demand, in regard to the various commodities which are available. I do not deny the fact that the production of sugar has gone down substantially now. We have to go deeply into it and do something drastic about it. In regard to various other commodities, where production has increased, there is shortage because of the increased demand for these commodities.

I now come to the question of import and subsidy on foodgrains. I am not going to elaborate on this by giving the figures. We had to import one million tonnes of sugar. We had to import 1.5 million tonnes of edMe oils. This is all fact. We have to give subsidy *on* foodgrains. This is also a fact. But my fear is this. When we spend that much money for the import, you will have to take into account the money taken from the financial institutions and also the high interest rates on this. Therefore, we . should give serious thought to this and see that imports are reduced to the minimum. This means, we have to increase the production in the country.

When we talk of prices and distribution, the major problem is in regard to infrastructure. I am not going to take the time of the House by describing infrastructure. Sir, the distribution system is defective in certain States. There is no easy accessibility to the remote villages. Unless you have good roads, all-weather roads, it is not possible for us to reach the villages at the right moment. Therefore, infrastructure is the major constraint in regard to prices and the distribution of essential commodities. We should give serious thought to this aspect.

Sir, we take hard decisions, very serious decisions. But are we analysing the fact that these decisions are implemented right below? Have We given thought to the role played by the hoarders, profiteers an<j blackmarketeers? Are we dealing firmly with the hoarders and blackmarketeers? For this the State Governments have to come forward in a big way. In whichever State the State Government came in a large way to tackle the problem of hoarders and profiteers, you find the price structure was able to be contained within manageable limits.

Sir, the bureaucracy and the business class also has to adjust to th"e new challenges, to the new situation. The Finance Minister has come with a new strategy and a new fiscal policy. From his fiscal policy he expected that the cut in excise duty, customs relief and tax cut, all will increase the productivity and production in this country and also the bureaucracy will rise to the occasion to see that maximum attention is paid to various fields connected with this. At this point of time I remember about the experience of the Japanese. In Japan when the oil price went high or the diesel price went high, they saw to it that the consumption of oil was restricted by the industrials^ themselves. They decided that Hie consumption of oil has to be restrained. In this country also if you do not "respond to certain challenges, you cannot blame the Government right now for everything that is happening. You cannot say that only the Government, not you, are responsible for everything that is taking place in this country. What I mean to say is the bureaucracy and tne business class hag to adjust themselves to the new philosophy and style of functioning. The time lag between the decision-taking and the streamlining is another factor. The decision ig taken, but Has it been streamlined, is it reaching the lower strata? What is the mechanism, w'hat is the instrument for you to see that the decision is communicated right down the lowest strata? That also is an important factor.

Transportation cost, as Mr. Gurupadaswamy has mentioned, is also a

(Shri M. M. Jacob) factor, but when there is 10 per cent hike in the transportation cost there is 15 per cent hike in the price of the goods immediately because this is a normal phenomenon. When there is a marginal increase in one area, you will find gigantic, proportionately more, increase in the price of the Commodity goods. That is a fact.

Coming to the distribution system, I am not going to say everything at this time because of the time factor, but I would like to say one or two points which are essential. We have to have a very effective distribution system. There is no point in blaming anybody for the lapses and lapses in distribution system. We have to streamline the system very seriously. There must be a fair price shop in every village and where it is not possible to have a fair price shop or a ration shop immediately, let us think of erecting shamianas in manageable areas and see that the Super Bazar rushed the items in a haphazard manner at least, so that the people can buy things immediately. The shortouts are there. Mobile shop3 can be there. Many other methods can be thought of to see that the goods reached the villages. The sugar ~*vras* imported, but it did no* reach ' the villages. Why? So, Ihe price went high. Some sort of shortcuts will have to be found out. Regarding Kerala many of the members were mentioning about the management of civil supply and the distribution system. The very same Civil'" Supply Minister is here. But then you have to work on an emergency basis. You erect temporary sheds, open new shops wherever it is vulnerable, where poor people, Harijans and Adivasis are found in larger numbers. In this way. you will find how your system works beyond your expectations.

Then, Sir, vigilance committees have to be formed wherever possible. No trader i3 displaying the prices of the commodities in spite of the repeated warning and statements from the Ministers at the Centre. Price vigilance committees have to. be constituted. They must see tfiat the shops and traders are exhibiting the price lists. Also tax rates etc. have to be exhibited. Similarly. the TV, the radio in each State, the All India Radio and the television network can bring out, wherever it is available, the price structure. Price of different commodities can be declared so that people can know what the real price of a commodity is existing in one place and what the price is being charged at another place. Let them know what is the price of rice in a particular area is and what is Ihe price of rice in another area. If there is disparity you have every right to go and find out where the lapse has occurred in the system, who has faltered who is the defaulter, who is the hoarder and profiteer. So, vigilance committee can go a long way to "Und out the hoarders and profiteers. Governmrnt officers may not be able to tackle the problem successfully because the^hureaucracy is not tuned to go tG that extent, to that level though the Finance Minister is trying to do certain things. Though there are many other things connected with this, at this moment I do not want to take the time of the House to mention these. At this time, because the situation is serious, we have to see that the distribution of commodities is streamlined immediately, without any delay. There is no point in cursing the Budget because if the Budget is at fault, it should have affected every thing and not partially sugar, gur, fruits and vegetables. Thank you, Sir.

THE VICE-CHAIRMAN (SHRI PAWAN KUMAR BANSAL): The debate would be replied to by Rao Birendra Singh. Now Mr. V. P. Singh will intervene.

SHRI VISHWANATH PRATAP SlNGH: Mr. Vice-Chairman, Sir, I will not go much into generalities.

SHRI SHANKER SINH VAGHELA: Is the Minister replying to the debate?

SHRI VISHWANATH PRATAP SINGH: No, I am intervening. The Food and Civil Supplies Minister will be finally replying to the debate.

I will not. go much into statistics. Much has been said. Shri Gurupadaswamy quoted a lot of figures. He said that he was not interested in figures, but he quoted much of the figures. How far his interest extends to figures, I do not know.

SHRI M. S. GURUPADASWAMY: Becasue I thought you are.

SHRI VISHWANATH PRATAP SINGH: I do not have to argue much because these indices, these figures do have their limitations. They are useful for assessing macro variables, how they have behaved, like the wholesale price index, consumer price index, but not to measure the family budget. If we are to analyse the impact of taxes, the impact of money supply, the impact of deficits, they are useful indices which can help us in analysing and diagnosing what is going wrong, or are we on the right path, but *i'* we come to running a | family budget, I do not think they are useful. *1* do not need a debate on this. My wife is enough to tell me at the breakfast table. She does go to the market, she does produce the receipt for sugar.

SHRI M. S. GURUPADASWAMY: At least your wife is educated.

SHRI VISHWANATH PRATAP SINGH): She is on your side. When you are debating the family budget and the common man's plight I do not disassociate myself. I myself have a family and run it. (Interruption) I am going by that. But on the floor of the House, because this is too serious a matter, it is not a question of scoring a point from the Government side or the opposition side. The fallacy of all these figures is when it comes to trying to analyse a common man's plight. While in certain items the prices may have gone up, in other they have come down and the wholesale price index will show normalcy. While there may be problem on both sides-i.e. sections of the population who are affected by some items of price rise may be in trouble and also those sections of the society where prices have come down, they also may be in trouble, the two troubles can neutralise each other and the wholesale price index can be okay. So for finding answers for those sections of the people who are either being affected by the items of high price rise or those of low prices, because no household family goes *an*& buys the whole market, the wholesale price index is faulty. But they do buy certain things and certainly if sugar price has gone up, I cannot "tell my wife "you buy Jute and balance your family budget". It is not interchangeable. But for macro parameters, these indices are useful. But I will come to that later. Now let us confine ourselve to the problem of the common man and let Us apply our mind to what we can do with it and what we should do.

So it is that fruit, vegetable, sugar and gur, rice slightly, milk, egg. fish and meat and some varieties of pulses have gone up, while there is a fall in raw cotton raw jute coffee and mustard oil. There is a problem on that side also which I do not want to minimise. But let us see what we can do. These two group—the sugar and gur group plus the vegetable and fruit group—constitute two-thirds of the contribution to the price rise. Now it has been stated, and it is known, that so far as sugar is concerned, our consumption has gone up to about 83 - lakh tonnes while the production is about 62 lakh tonnes. Now this is the JbriFic, core, economic situation sO far as sugar is concerned. For correcting this 0f course we should have long-term strategies and that is the real answer. But the short-tarm answer is three-fold: increase of supplies

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immediately, improving the distribution system, dehoarding if there is hoarding at any level of profiteering. We have tried to do this. Import is there. But I do "not say import is a long-term solution, Imports in such matters is like taking Crocin: It does not cure the disease hut at the" moment it relieves head-ache or fever. The long-term answer is production, Sometimes there is conflict between short term measures and long-term remedies. Sometimes, taking too much of Aspro, we are told, weakens the heart or does something like that. So, we should be careful on short-term measures also. But what can we do immediately? Because the common man is being affected, we have imported sugar. So far as sugar is concerned, we have stocks enough to face the situation, and the Food and Civil Supplies Minister has taken initiative and States which were slack in picking up earlier have now started picking up and, I am sure, with his efforts we will be able to meet this situation. So "ar as hoarding is concerned, by and large, it is an essential commodities and the Food and Civil Supplies Minister doesn't have any mechanism with him. He has been telling me to permit him to have some Cell and if he sets it up I am agreeable to it. Administration of essential commodities is, by and large, with the State Governments and that is where action has to be taken. But certainly, wherever there is any tax evasion, etc.; We are not going to spare any if them. So, on these three counts We are taking action with regard to this and I hope that before this House rises there will be the impact of Government action on sugar prices.

Regarding fruits and vegetables, it is also contributing to the price rise, but look at what the options are. They are not hoarded as such and so there ig no question of dehoarding. You cannot possibly augment supplies within a short time either by Imports or a grow more vegetables campaign to be effective within 10, 15 or 30 days. What we can do with limited management is to have some super markets or some other alterna'ive supply centres in some metropolitan towns and organize them, and that i* really what we have got in vegetables, etc. But vegetables have a seasonal nature. Some crops are going down and monsoon crops have yet to come. This always happens in a cycle. Of course, I know, by and large, for the poor man,s consumption the vegetables that are there are onions and potatoes. Certainly if We go to buy tomatoes—which is a writer corp—we will be in difficulty bit I hope, as the crops grow the vegetable situation will cease as it does every year.

So far as foodgrains are concerned. we have surplus stocks, I do not have to say that there was a marginal fall in wheat prices and they are stable.

SHRI . KALPNATH RAI (Uttar Pradesh): Edible oils?

SHRI VISHWANATH PRATAP SINGH; In eddible oils also there has been a little decline compared to last year; they are not high.

Cotton a^o. On that side there is stability. We have exported long-staple cotton, imported medium, and there is stability on that side.

About tea, there is no reason why there is still a discrepancy between the auction price and the retail price. I am told, the benefit of the fall in the auction price of tea has not reached the consumers. We, on our side, are talking with the tea producers and sellers and manufacturers on the action taken about that.

Cloth has been fairly stable, relatively stable more than all these.

Coming to these individual items, we see that in the price of cloth, that of edible oil and that of wheat, when there is fairly stability, sugar and vegetables and fruit group is the main

thing. That is why, I say we have confidence. When I say tha* monsoon *is* a major factor-of course every Finance Minister has to say it—it is because it is the truth. We find that if the monsoon fails, drought is there, and everying goes awry. But if the monsoon goes well, then, there is strength in the economy. Ther$_e$ are four or five items which pull the prices. One is the foodgrains. The other is the vegetable oil. The third is cotton. The fourth is sugar and its group. If we see these, the horses which pull the prices, are leaders in it. On food, we ar$_e$ comfortable. We are exporting. There is surplus. About the edible oil, again we are in a comfortable position, About the raw cotton, that is also within control. So, that really leaves the fourth factor, sugar, and that, we can take care of by imports and reaching it to the people. So, there has to be confidence. It is not a hopeless situation. and it can be controlled. That is the strength.

Now coming to ,a little theoritical side of it, th$_e$ Buget, the deficit, the imposts and the money supply and its total impact, here I must say, the facts and figures are relevant because when you are talking of deficit, deficit is not describing th$_e$ price o; any particular commodity. It will have a general impact on all prices. And that is the true measure. When we come to the whelesale price index or the consumer price index, let us see whether all these factors which have been mentioned by the hon. Mombers from the Opposition benches, had an impact which is disastrous or out of control. Looking to the consumer price index, if we see the five years, 1980-81, 1981-82. 1982-83, 1983-84 and the period January-March, this quarter, we find that in 1980 there was a drop of 1 point. In 1981 there was a rise of 12 points. In 1982 there was a drop of 3 points. In 1983 there was rise of 5 points, in 1934 there was a drop of 1 point. And in 1985 there was a drop of 2 points. So, this is quite in order. This is nothing compared to what has happened in the previous years. There is a drop of two points. I am not taking any credit because this is the usual pattern during this time, In April-June quarter. In 1980 there is a rise of 13 points. In 1981 there is a rise of 19 points. In 1982 there is 31 points. In 1984, rise of 16 points. We have got April-May figures only in 1985. The Jun$_e$ figure has yet to come. In 1985 there i$_s$ rise of 14 points. So, that has also fallen in the same order, that of the previous years.

The wholesale price index, of course, I do not have to repeat. I have got today figures up to the 20th July. The inflation as on the 20th July is 5.4 per cent compared to 9.6 per cent in 1931 and 7.7 per cent in 1983. Even if we take the inflation because that is relevant to what has happened previously, that is a mathematical ratio that comes into it. If we see the gross increase in the wholesale price index starting from th$_e$ financial year up to the 20th July, then, in 1984-85 the rise in the wholesale price index is 4.9 per cent. Last year it has been 6.9; the previous year 5.5; earlier than that 5.3; 1981-82, 6.2; 1980-81, 12.1. and 1979-80, 11.5. So we can see in seven years th$_e$ wholesale price index between 1st April to 20th July is the lowest. So this is the indicator of the various variables that have been mentioned by some hon. Members about the deficit imports, the indirect taxes and all these things. This is the aggregate picture. So the aggregate picture is within the manageable limits. Ther$_e$ need not be any alarm on that side.

Now, I want to reply to some of the specific points raised by some hon. Members. Shri Nirmal Chatterjee gave his concepts of how to manage it and h$_e$ ha$_s$ nufortunately the framework of managing the economy which is slightly different from ours. We cannot say that we are going fo adopt his fromework or total State control on all factors of produc-

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tion. We have a bixed economy within which we have to manage our economy.

When Shri Pranab Mukhrjee mentioned about the inflation in developped countries and the developing countries, he attacked him. May I inform him the inflation rate which is there in the neighbouring developing countries. In developing countries the inflation rate was presently 34.8 per cent. In 1983 it was 33.0 percent and in 1984 it was 37.7 per cent. If you compare what the developing countries are facing and how India is managing its economy with single digit inflationary rate. I think, we should give the credit to the country for its management. I am not comparing with the Western countries. In spite of their monetary policies to control inflation many of them are having double digit inflationary rate, of course not to say about the Latin American countries, where inflation rate is 113 per cent. Those examples I will not quote . . .

SHRI M. S. GURUPADASWAMY: What is the per capita income in those countries to which you referred?

SHRI VISHWANATH PRATAP SINGH: That relates to the price indices and inflation therein. So in their economy the rate of inflation is proportionate.

Now, a point was made about the deficit-financing and about another supplementary budget that is going to come which will add more to the deficit. Our deficit has to be related to our GNP and also previous money supply. I do not advocate for large money supply. That is not a good thing. But we have to do it, otherwise it will tighten our developmental work and problems like unemployment can arise. But with moderate rate the deficit and the inflationary impact bears the ratio to the money already in the system. It is not a -rross figure last year and this year. How much it has gone up? What ratio it bears to the total money flowing in this system? How much it is adding. What will be the rationality of the impact? The point made of course, is very clear.

We have seen in the previous years that the initial deficit and supplementary demands that come, the deficit do not add together totally. Shri Gurupadaswamy has also said that it is a known figure and resources are also there. There is a flow back. From the Government spending there is a flow back in the form of revenes. In the corporate sector the public sector units pay 52 per cent of the corporate taxes. It is a flow back agiin. Shri Gurupadaswamy has also said that more money has been gi n to rich. I think there cannot be a greater myth than that. It is not only a myth, I am using the word myth because I want to be mild. I am telling the realities. Let us face ft- The 'total given in personal tax or direct taxes that have been given apart from interest tax which is given to the banks and the individual is not benefited by it but the banks are benefited by it. It is about Rs. 200 crores. Out of direct tax revenue of about 5,000 crores, out of this, 200 crores, the first income group gets the benefit of 50 crores. The next income group gets the benefit of 20 crores. So, 70 crores goes to the first and second income group brackets. *(Interruptions)*

SHRI NIRMAL CHATTERJEE: What is the psychology behind it?

SHRI VISHWANATH PRATAP SINGH: First I am coming to what is quantised. Then, I will come to psychology also.

SHRI CHATURANAN MISHRA: Who have gained through this price rise?

SHRI NIRMAL CHATTERJEE: How many are in the second group and how many are in the top group?

SHRi VISHWANATH PRATAP SINGH: Just one minute. My misfortune is that when figures are floated from that side, they are attractive but when I quote the figures, they are ugly. So out of 200 crores, 70 crores going to the lowest income brackets. 130 crores out of a base of 5,000 crores being distributed • to the rest of the income groups is called a big give away and remember, in this Budget, from the corporate sector, I have taken a credit of 250 crores. There is no give away on the corporate sector and where is the give away? In the case of indirect taxes which -is being criticised so much that we have raised on the indirect taxes but it is forgotten that on fertilizer projects, the custom duty has been reduced from 65- per cent to zero per ce it on power project from 65 per cent to 25 per cent and on wood and wood pulp to zero per cent custom duty on many electronic items has also been reduced. Now, these are the basic inputs in infrastructure *i.e.* power and fertilizer. Now, our options were we could take revenue out of them but later this total cost of investment would have gone up resulting in prominent cost push into the product price rise. You have one option or you do not take the revenue jn one time.. Make the investment in these sectors cheaper and long time. You have lower cost of the product and also you raise again revenue by your excise and your revenues on the taxes which is a long term benefit. We have adopted this route and this is the correct route because this is the only way which is right. I do not want to have third discussion on the Budget but the points were raised and I will try to be short. What are our options Deficit is what? It is your total resources minus expenditure. Now if you want to 'reduce, cither raise your resources or reduce your expenditure or do both. Only then you can get your deficit. On raising the resources on the proportion of taxes which have come to your GNP, you are reaching certain limit or your option on this by buoyancy, by growth of the economy by which you can get more revenue. Well, that is the course which we have adopted and the internal resource generation of the public secto*[1]. These are the two pillars of our revenue that is available to us and certainly plugging the loopholes in tax evasion in he form of exemptions etc. that is there. We are keeping in mind various tax evasion routes and we are implementing and enforcing the various measures vigorously and we will go on enforcing them. On the expenditure side on the question of reduction of expenditure 73 per cent of your expenditure being on Defence interests and youv subsidy on food and fertilizer, your leeway i<emains little on that side. With these perameters that you haVe within these parameters you have to play it. Now, your option is you can have very low deficit and almost very . low inflation. You can have it- But what will it mean? It will mean our drastically reducing bublic spending and we have a low rate of inflation. And it was blindly told to us and a certain period was mentioned during Janata regime. Let it not be forgotten that when we got charge of this Government, in 1979-80 the GNP had come down by 4.3 percent and industrail production was negative by 1.4 per cent. There was price stability...

SHRI M. S. GURUPADASWAMY: Don't quote Charan Singh.

SHRI VISHWANATH PRATAP SINGH: These are the casues of it. Every drug has a cost. We have to balance it. We cannot have a very high rate of inflation. But for development and for progress if we have to balance it, I am sure, we can do it. I think these were some of the points which I wanted to reply; otherwise, the debate will go on for long. Perhaps we will have another occasion to dwell on other points. Rao Birendra Singh will reply to the debate- in detail... *(Interruption)* As regards

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finished goods, by and large generally we want to fund raw materials and intermediaries rattier tlian finished goods. We are very tight on it. But about 10 to 15 days credit is given in this sector and the other sector, drugs transportation, etc. though IDBI is also there. But that i_s a sector we need of protect. Another 10-15 days credit is given.

श्री चतुरानन मिश्र (बिहार) उप-सभाध्यक्ष महोदय, अभी जो देश में भयानक ढंग से चीजों की कीमत बढ़ रही है, उसका मेरे लिहाज से सब से पहला कारण सरकार की अपनी नीति है और जब तक सरकार इस नीति पर विचार नहीं करेगी, तब तक मूल्य को स्थिर करना कठिन हो जाएगा। अभी जब वित्त मंत्री बोल रहे थे, तो मुझे और भी ज्यादा आशंका यह हुई कि वह वर्तमान नीति का ही आवलम्बन करेंगे जिससे यह देश और भी मंहगाई की ओर जाएगा। इस सच्चाई को छिपाने के लिए उन्होंने कहा कि हमने गत बजट में मात्र 200 करोड़ रुपया पूंजीपतियों को या उस सेक्शन को दिया है और बाकी रुपया हमने इन लोगों को गरीबों के लिए दिया है।

श्री विश्वनाथ प्रताप सिंह : गरीबों को नहीं दिया है, जो लो-इनकम ग्रुप है, उसको दिया है।

श्री चतुरानन मिश्र : लेकिन वित्त मंत्री जी भूल गये हैं कि अभी उन्होंने जो ब्लैक मनी के लिए कमेटी बिठाई थी, उसी ने बताया है कि कितने हजार करोड़ रुपया लेकर वह बैठ जाते हैं, बाकी जो सरकारी रेवेन्यू में आता है, उसी धन में से जो बंटवारा करते हैं, उसको लोगों को दिखला देते हैं और हमारे राष्ट्रीय धन का जो बहुत बड़ा हिस्सा है उसको कुछ मुट्ठी भर लोग खा जाते हैं। आप उसकी चर्चा नहीं करते हैं। अभी जो कीमतें बढ़ी हैं, सरकार के खजाने में उसका पैसा नहीं गया है, वह गया है उस खजाने में उन चोर-व्यापारियों का जो हैं लुटेरों का, उन्होंने लूटा है सारे राष्ट्र को और इसीलिए अब आप इसको छिपाने की कोशिश करते हैं, तब हम लोग यह कहते हैं कि आप उनके साथ मिले हुए हैं इसी कारण हम यह कहते हैं।

मुझे इस बात की प्रसन्नता है कि शासक पार्टी के कुछ सदस्यों ने कहा कि प्राइस राइज हो रही है और खतरनाक ढंग से हो रही है और उन लोगों ने मांग की है कि किस ढंग से उस प्राइस राइज को रोका जाए, यह प्रसन्नता की बात है। मैं चाहता हूं कि सरकार उनकी बातों पर ध्यान दे। यह सच्चाई है कि तेजी से प्राइस राइज हुई है। जब वित्त मंत्री जी ने कहा कि उनकी श्रीमती जी जो बाजार से खरीद करके लाती हैं, वह रेट उनको मालूम है तो वही रेट असली रेट हैं जिससे इस देश के 70 करोड़ लोग जल रहे हैं, जो आपकी श्रीमती जी कहती हैं वह झूठ नहीं कहती हैं और उससे यह देश विचलित हो रहा है और मैं यह भी आपको करने के लिए जा रहा हूं कि इस देश में जो सार्वजनिक वितरण प्रणाली है वह सिर्फ लोकल सैक्शन के लिए है, हम शहर के लोगों के लिए है, मजदूरों में जो संगठित हैं उनके लिए है और जो वास्ट मैजोरिटी आफ पीपुल हैं उनके लिए कोई सार्वजनिक वितरण की प्रणाली नहीं है। उनके लिए राशनकार्ड भी नहीं है, उनको सामान भी उचित मल्य पर नहीं मिलता है। यही इस देश की बहु-संख्यक आबादी है जिसको आपको ख्याल में रखना चाहिए। अब आप दोनों लोगों ने एक नई फिलासफी बताई है कि हमको डिफेंस पर खर्च करना पड़ता है, इसीलिए महंगाई रहेगी। क्या कम्युनिस्ट देशों को डिफेंस पर खर्च नहीं करना पड़ता, उनके यहां क्यों महंगाई नहीं है? फिर आप कहते है कि विकास करना है। हम कब कहते हैं कि विकास नहीं करो। क्या कम्युनिस्ट देशों में विकास नहीं हो रहा है? वहां पर महंगाई क्यों नहीं है? आप कहते हैं कि आपकी फिलासफी दूसरी है। तो हमको भी आपकी फिलासफी से शिकायत है क्योंकि यह मुट्ठी भर मुनाफा खोरों के लिए है, आम जनता के लिए नहीं है। यही सब से बड़ी शिकायत है और इसीलिए जब यह बजट आया तो हमने कहा कि इसमें जो सिद्धांत निरूपण किया है, जो फिलासफी

आपने बताई है, उसी के चलते ऐसी घटना घट रही है। आपके बजट के सब से बड़े एडमायरर जो बड़े घराने के लोग हैं, टाटा और बिड़ला सब से बड़े वही एडमारर हैं और उसमें से एक हैं श्री पालकीवाला, उन्होंने आपके बजट की काफी तारीफ की उन्होंने लिखा था टाइम्स आफ इंडिया में, उन्होंने इस लेख को 24 मार्च, को लिखा था जिसका उद्धारण देता हूं :

"First, inflation is the mose dangerous factor. The enhanced Customs duty, increase in duty on goods covered by the residuary item 68 from 10 to 12 per cent, steep hike in the railway rates and the dificit financing of Rs. 3,349 crores in the current year are all factors which seem to indicate that inflation would be higher *mx:* year. Incidently, inflation in the current year has been stated in the budget speech to be 5:2 per cent. This is a fact if the calculation is made on a point-to-point basis of the average wholesale price index. But, on the basis of the average wholesale price index for the 12 months, inflation come t_0 7.1 per cent'.".

तो जो सब से बड़े एडमायरर हैं आपके बजट के उन्होंने भी कहा था कि इससे मूल्य वृद्धि होगी और इसे ही सब से खतरनाक उन्होंने बताया था। यह आवश्यक परिणाम है जो कि इस बजट के बाद यह मूल्य वृद्धि हुई। आपने कहा है कि चीनी का दाम बहुत बढ़ गया। इस देश ने तो चीनी में सैल्फ-सफीशियेंसी प्राप्त कर ली थी। आपकी ही सरकार थी, हमारी सरकार तो नहीं थी 1981–82, 1982–83 में क्या हुआ था, चीनी का उत्पादन इतना हो गया था कि हम उसे विदेशों को भेजा करते थे। फिर आपने क्या किया कि दूसरे देशों से चीनी मंगानी पड़ रही है। क्यों नहीं आप इस गलत नीति को बताते हैं कि इसलिए प्रोडक्शन घट गया। आपने किसानों को ईख का दाम नहीं दिया। लाचार हो कर किसानों ने खेती छोड़ दी जिसके कारण हमको आज विदेशों से चीनी मंगानी पड़ी। आप कहते हैं कि प्राइस राइज सीजनल फैक्टर है। देखिए यह सब कह कर के इन बातों को छिपाने की कोशिश नहीं होनी चाहिए सीजनल फैक्टर आप खेती की चीजों के लिए ले लेते हैं। मैं आप से पूछूं टायर का दाम बढ़ गया इस में कौन सा सीजनल फैक्टर होता है? ट्यूब का दाम बढ़ गया सोडा का दाम बढ़ गया, सिन्थैटिक का दाम बढ़ गया और बेसिक मैटल प्रोडक्टस का जो अभी बढ़ा है 456 से बढ़कर 466 पर चला गया है। सीधा 10 परसेंट का राइज हुआ है। यह कोई सीजनल फैक्टर नहीं है। ऐसा कह करके आप भ्रम में मत रखिए। पहले सरकार कहती है कि प्राइस राइज हुआ ही नहीं है, फिर कहने लगती है कि प्राइस राइज तो हुआ लेकिन इसके लिए कसूरवार राज्य सरकार है, वहां पब्लिक डिस्ट्रीब्यूशन ठीक नहीं है। इसी के चलते हुए फिर कहने लगती है कि प्राइस राइज हुआ तो है, लेकिन थोड़ा सा हुआ है।

6 P.M. तो हमको याद आती है उस बदचलन औरत की कहानी, जो पहले छिपाती है कि इल्लिसिट कनेक्शन हुआ ही नहीं और जब प्रिगनेण्ट होती है, तब कह देती है, कि दूसरे के चलते बहका कर के हुआ और जब डिलवरी होती है, तब कहती है कि डिलीवरी तो हुई है, लेकिन छोटा सा बच्चा हुआ है। वह कौन कसूर है? ... **(समय की घंटी)** ... आप यही कह रहे हैं। यह अत्यंत ही हास्यास्पद विषय है। मुझे समय नहीं है, आपने तो घंटी बजा दी है सभापति महोदय लेकिन मैं कुछ बातों को कहना चाहूंगा ...

उपसभाध्यक्ष (श्री पवन कुमार बांसल): एक मिनट में प्लीज ...

श्री चतुरानन मिश्र : तीन मिनट हमको दीजिए ...

उपसभाध्यक्ष (श्री पवन कुमार बांसल) : नहीं, दो मिनट, चलिए ...

श्री चतुरानन मिश्र : तीन मिनिट हमको दीजिए। आपने बहुतों को समय दिया है।

उपसभाध्यक्ष : (श्री पवन कुमार बांसल): नहीं। छह बज गए हैं और बहुत स्पीकर बाकी हैं।

श्री चतुरानन मिश्र : हम आपको कह रहे हैं, जिसको आप पापुलिस्ट मेथड कहते हैं हम आपसे कहते हैं आप अपनी गद्दी पर रहिए इसके भी लिए जरूरी हैं कि पापूलिस्ट मेथड एडाप्ट कीजिए । आप भी दो रुपए किलो चावल और डेढ़ रुपए किलो गेहूं अगर एक राज्य बेच सकता है, तो सारे राज्य में बिकवाएं । तब आपकी सरकार टिकाऊ रहेगी । नहीं तो दूसरा लक्षण आएगा । सन् 77 याद होगा कि बहुत दिनों की बात नहीं है । मैं कहूंगा कि आप होलसेल व्यापार को समाप्त कीजिए उसे अपने हाथों में लीजिए और सहा सार्वजनिक वितरण कीजिए, गरीबों को सही दाम पर सामान दीजिए । मैं यह चाहूंगा कि जो गरीब लोग हैं, उनको सस्ती दर पर जीवनोपयोगी सामान उपलब्ध कराइए । इस बात की व्यवस्था कीजिए । अगर खर्चा घटाना चाहते हैं, तो समय पर प्रोजेक्ट पूरा कीजिए । आपके भ्रष्टाचार के चलते और निकम्मापन के चलते समय पर प्रोजेक्ट पूरा नहीं होता । आप केपेसिटी के मुताबिक काम कराइए जो बड़े उद्योग हैं उनका इंटरेस्ट रेट घटाइये जो राजकीय क्षेत्र हैं जैसे कोयला उद्योग वहां तीन-तीन सौ करोड़ रुपये सालों भर बकाया दूसरों के यहां पड़ा रह जाता है और कोयले का दाम बढ़ जाता है, इसको देखिए । अभी कोयला का पिटहैड स्टाक 29 करोड़ मिलियन टन पड़ा हुआ है एक साल से, उसका खर्चा कौन देगा ? इस प्रकार उसका यूज़ नहीं हो पाता कास्ट, बढ़ जाती है । इसका ख्याल कीजिए । यह आपका पावर-कट के चलते बड़ा नुकसान हो रहा है । उसका ध्यान दीजिए ताकि उत्पादन भी देश का बढ़ सके और लागत खर्च कम हो ।

उपसभाध्यक्ष जी यह जो कर-भार है, टैक्सेशन है एक माननीय सदस्य बोल रहे थे, इस विषय पर बोलते हुए कहा कि भारत में स्टील प्राइस बहुत ज्यादा है दुनियां में सबसे ज्यादा है । मैं कहता हूं कि इसमें से आप करभार को घटा दीजिए वह 1400 रुपया प्रति टन है, फिर देखिए कि भारत में कैसे स्टील की ज्यादा प्राइस है । हमारी स्टील प्राइस ज्यादा नहीं है । फिर आंकड़ों को आप देख लीजिए, मैं कहूंगा सही ढंग से हम जान सकें तो कपड़े का दाम बढ़ा है । लेकिन हुआ क्या है, खादी के दाम घट गए हैं और इसलिए जब एडजस्ट किया जाता है तो फिगर आती है कि कपड़े का दाम उतना नहीं बढ़ा । तो आप सच्चाई को देखने की कोशिश कीजिए । मैं चाहता हूं कि जिसको आप पापूलिस्ट मैथड कहते हैं, उसको एडाप्ट कीजिए, तभी आपका भला होगा और देश का भी कल्याण होगा । नहीं, अगर जाना ही है, तो वर्तमान नीति पर चलें, आप बहुत ही बैड कम्पनी में चले गए हैं, आप मारकेट फोर्सेस पर देश को छोड़ रहे हैं, यह मार्किट फोर्सेस जल्लाद हैं, सारे देश को बर्बाद कर रहे हैं, उन पर भरोसा मत कीजिए और बजाय प्राइस-लिस्ट टांगों, ड्रास्टिक एक्शन लेने होंगे ।

इसलिए मैं आपसे कहता हूं कि उस चोर बाजारी की बुरी संगत को छोड़िए, नई नीति का आवलंबन कीजिए ताकि इस देश में प्राइस-राइज को रोका जा सके और हमारे देश का प्रजातांत्रिक ढांचा है, उसको हम सही ढंग से चला सकें । धन्यवाद ।

SHRI VITHALRAO MADHAVRAO JADHAV (Maharashtra): Mr. Vice-Chairman, Sir, there was a large-scale discussion on the price rise. As my friend from the Communists Party and some other friends said, the price rise and inflation is due to the deficit budgeting. I do not agree with them, because we have got deficit of Rs 1000 crores and when we look towards other countries, deficit budgeting, even in the USA—I was reading in the •Economist' its deficit financing is about 100 billion dollars. They borrow money from the market and they want to meet the deficit in. their budget. So, though this price rise is due to deficit financing, there is not sufficient evidence to support thi, statement that the wholesale price index has not increased it. As we go through this, it is a seasonal change in the price index. It always happens.

You will find that during the months of July, August and September, the prices of edible oils will go up because the kharif sowing starts and there is large-scale shortage of foodgrains, edible oils, sugar and all these commodities. I am a banana grower in my part of the country. Throughout the year, the banana at the rate of Rs. 50 Kg. or Rs. 60 per prices are down and we sell banana quintal. But from June to September there is no other fruit available in the market and we sell banana at the rate of R_s 130 or Rs. 150 per quintal. I have seen that in Delhi banana sells at the rate of Rs, 6 per kilogram. On the contrary the farmer g»ts Rs. 130 or Rs. 115 per quintal.

SHRI VIRENDRA VERMA (Uttar Pradesh); What about the producers and consumers?

SHRI VITHALRAO MADHAVRAO JADHAV: It $mean_s$ that the middlemen and traders who purchase the products from the farmer and sell them in the market are grabbing the profit. I have already stated in this House that we must have strict Acts. Acts are there but they are not implemented properly. The traders and black-marketeers should be punished and there should be short methods of giving judgment. Justice delayed is justice denied.

I don't agree with so many Members that there has been a price rise. If we see the rise in consumer price index, it is like this; 1980—1; 1981 + JJ2. 1982—3; 1983+5; 1984 -1; and 19B5 -2; These are the figures for the $month_s$ of January to March. If we look at the figures from April to June, they are like this; 1980+13; 1981 + 19; 1982+13; 1983+31; 1984—16 and 1985 (April and May) +14. In July to September, the prices have again gone up and from October to Decembei-, they have gone down. When the monsoon comes to end and the crop becomes ready, the price index comes down; One of my friends ha_s said that the inflation is continuing, it is wrong I do nol agree that th_e prices have gone up after the budget. I_n 19.9.80, the inflation was 10.1 per cent in 1980-81, 10.9 per cent, n 1981-82 it has gone down to 6.1 per cent. In 1982-83 it was 4.9 par cent. In 1983-84 it was 5.B% In 1984-85 it was 6.3 per cent and in 1985-86 (up to 13th July) 4.5 per cent. It means that there has been a decrease in the rate of inflation. It means that our Government and our system af working has been able to check inflation to some extent. I do not want to go into details of other things. I would like to say that the rise in population which we are having from year to year increases the demand of certain basic necessities. If there are more human beings in the country, demand of foodstuffs will naturally go up. If we have to deal with shortages, demand for goods and services in aggregate is kept in check by monetary restraints.. There would be a change in the pattern of demand. There would be a higher expenditure on food, clothing, shelter, transport, health and education while expenditure on certain other things will decline. Therefore unless the supply of basic necesities keeps on rising to match the increased demand, their prices will rise. Further increase in prices will demand higher dearness allowances, raising costs and prices across the board. If through fiscal and monetary restraints the level of aggregate demand is kept down, then a good part of the output of the relatively less! essential p^oduclts will not sell. There will be industrial sickness, retrenchment and unemployment in many industries. So, production will have to be curtailed. But increase in demand for basic things due to increases in population will continue and even get accentuated *it*

[Shri Vithalrao Madhavrao Jadav]

there is also some rise in income lewis particularly cif the poor.

So, the trend of stagnation in most of the industries will coincide with, inflationary trends in the prices of certain basic goods and the services and we would have stagnation. Sir, there are so many economic reasons also for this. Some of the opposition friends said that the uptrend in prices is mainly due to the budgetary deficit showed in the national Budget of 1985-86 the main cause of inflation to which I do not agree. The high rate of monetary expansion which we have ha! in this country over the year i_s also one of the major factors contributing towards inflationary trends. While thinking seriously curbing of the price rise nobody wants to curtail down the heavy Defence expenditure which is also not possible considering the national interest for security. Even the deficit cannot lie met out by a higher taxation. If we tax more it will again push up our prices higher and higher. Higher tax rates may cause the collection of more revenues and again Government and industrial employes may demand more dearness allowance and may cause mor? inflation. The efficiency of the collection of tax may help up to some extent to check the inflation. *(Time bell* I do not want to go into the details of these things. I would now come to the main points Sugar prices increas-increased. Sir, in the Indian markets, the indigenous sugar ig selling at the rate of Rs. 7 per kg. Sugar production has gone up from 38 lakh tonnes in 1979-80 t_0 82 lakh tonnes in 1982-G3 Which lias come down to 59' lakh tonnes last year and 62 lakh tonnes in th_e current year.

SHRI VIRENDRA VERMA: 61 lakh tonnes.

SHRI VITHALRAO MADHAVRAO JADHAV: The gap we have ls 20 lakh tonnes. Sugar was being imported. How much foreign exchange is being spent on importing the sugar. That rs the question now. We are going to import ten lakh tonnes of sugar I have calculated this figure. We are selling the imported sugar at thf[l] rate of Rs. 5.70 in the super bazars. That means, the total cost of the imported sugar is Rs. 570 crores ">n 1.1: lakh tonnes of sugar which we have imported. In this connection. I would like to ask the hon. Minister one thing. I have asked this question several times. There are so many sugar factory proposals lying with him for want of licences. Sir, 100 proposals from Maharashtra for setting up sugar factories are lying with the Ministry of Civil Supplies. If all these 100 sugar factories are installed they should produce 15 lakh tonnes of sugar. And we have got a deficit of 10 lakh tonnes. In the coming five years or six years, again our population will increase and ourr demand for sugar will also incitease. Sir, 66 sugar factories can manufacture ten lakh tonnes of sugar as per todays eapacity. From Maharashtra alone 100 proposals for setting up sugar factories are lying with the Civil supplies Department. I would submit to the hon. Minister that if you clear those licences. Maharashtra alone will meet the demand of sugar of the entire country within three or four years. I can assure you that.

If the .super bazars and other fair price shops are utilised to sell sugar at a fixed price of Rs. 5.70 or Rs. 5.80 or not more than Rs. 6, there would not be any difficulty in curbing the price rise in sugar. Sir, we have got fair price shops in all the villages. We have that infrastructure ready. We know what the essential -commodities are. If we distribute those essential eornmodities at the fixed prices through all these retail shops, I do not think that the prices will rise. As

far as rice and wheat are concerned. there is not much rise. Another serious problem is about edible oils.

श्री वीरेन्द्र वर्मा : किसान जो खरीदता है उसी की तरह बढ़ती है ।

SHRI VITHALRAO MADHAVRAO JADHAV: We have? to spend about Rs. 1300 crores of foreign exchange for the import of edible oik, W$_t$> are quite capable to produce edible oils. Even we can make our economy an edible oil export economy. Wo can do it. We are having good varieties of oilseeds: Only the question is of co-ordination. And some incentives should be given. by the Government so that we can meet this demand in edible oils for which we are spending our most valuable foreign exchange.

Now. coming to fruits and vegetables, the hon. Minister stated that 70 per cent of the rise in prices is due to rise in price of fruits and vegetables. I would like to make some suggestions and conclude my speech. First suggestion is, there must be a definite price policy at the time of formulation of the Five-Year Plan; at least it must be seen that during the Plan period there should be no price rise when production, consumption, foreign-exchange earning, science and technological development, industrial production is fixed at a particular target and there should be no price rise: there should be a definite policy for price fixation. Secondly, we must have proper assessment about our requirements of foodgrains, industrial production, edible oils, pules, vegetables, fruits, milk and milk products, meat fish, eggs, in relation to the estimated growth in population after adopting all family-planning measures for the coming 5 years. Thirdly, we must have .a definite sugar policy. edible oils-production programme, similar programme for vegetables and fruits throughout/the year and take measures. Fourthly, we have lakhs of fair-price shops in the country. When prices go up for any essential commodities, those should be distributed through these shops. Fifthly, middlemen, profiteers, blackmarketeers, smugglers and others hoarding stocks and creating tension in the market must be punished severely and for that, certain amendment to the Act must be brought about. Sixthly, distribution machinery should be made more efficient and effective. Lastly, there should be uniform remunerative prices for the agriculture and .industrv both.

With these words, I think you and support the stand of the Government.

श्री वीरेन्द्र वर्मा : उपसभाध्यक्ष महोदय, जब तक इस देश में काले धन का भयंकर प्रचलन रहेगा, काले धन की अर्थ व्यवस्था समानान्तर चलती रहेगी, घाटे का बजट रहेगा और अनुत्पादक व्यय प्रति वर्ष बढ़ता चला जाएगा, हमारे वर्तमान वित्त मंत्री या सरकार या कोई भी सरकार उस समय तक बढ़ते हुए मूल्यों को रोकने में कामयाब नहीं हो सकती । मंत्री जी ने बताया कि गत वर्ष 5.1परसेंट मूल्य बढ़े थे । इस साल साढ़े 3 फीसदी बढ़े हैं, ऐसा उन्होंने बताया है । गत वर्ष जितने बढ़े थे,जितनी बढ़ोतरी हुई थी उससे इस साल और बढ़े हैं । जिस तरह से सूदखोर साहूकार सूद पर सूद लेता है उसी तरह से हमारे देश में भी कीमतों पर कीमतें बढ़ती हैं। वित्त मंत्री जी हम लोगों को थोक मूल्यों से तसल्ली देते हैं। लेकिन महंगाई भत्ता खुदरा मूल्यों पर दिया जाता है । सरकारी कर्मचारियों को खुदरा मूल्यों के आधार पर, कंजमर प्राइस था उपभोक्ता मूल्यों से महंगाई भत्ता दिया जाता है। मेरा कहना यह है कि जिन चीजों से महंगाई को आंका जाता है, सरकार को सदन में माननीय सदस्यों के सामने वही चीज रखनी चाहिए । आवश्यकता की वस्तुओं की, आप बताइये किस चीज के मूल्य गिरे हैं? आप जानते हैं, दालें गरीब आदमी के खाने की चीज है । आम आदमी की उपयोग की चीजें जैसे सब्जी, फल, चाय, काफी, चीनी चावल, (बासमती), बिस्कुट, जैम कोल्ड ड्रिंक्स आलू प्याज दूध पानी और बिजली, कोई भी चीज ऐसी नहीं है जिसके भाव गिरे हों ।, इनके भाव बढ़े हैं। इसके अतिरिक्त

[श्री वीरेन्द्र वर्मा]

साबुन दोनों प्रकार का, चाहे कपड़े धोने का हो या स्नान करने का हो, मंजन, मिट्टी का तेल, डीजल, टायर, ट्यूब, दवाइयां लोहा, स्टील और सीमेंट, ईंट और लकड़ी, जिससे इंसान अपने रहने के लिए मकान बनाता है, हर चीज की कीमत अन्धाधुंध बढ़ी है। इलैक्ट्रीकल मशीनरी की कीमत बढ़ी है। फैमली बजट जिस चीज से प्रभावित होता है उसमें कोई वस्तु ऐसी नहीं है जिसके मूल्य में वृद्धि न हुई हो। फिर आप जस्टीफाई किस बात से करते हैं? मान्यवर, मैंने ऊपर बताया कि इस देश में हर प्रदेश में अनुत्पादक व्यय प्रति वर्ष बढ़ता चला जाता है। अभी हाल ही में जून के महीने में दिल्ली से निकलने वाला जो हिन्दुस्तान अखबार है उसके संवाददाता श्री सुदर लाल कुकरेजा ने एक लेख लिखा है 'पानी की तरह बहता सरकारी धन'। गैर विकास कार्यों पर प्रतिवर्ष व्यय बढ़ता चला जाता है। गैर विकास खर्च, गैर योजना खर्च बढ़ता जाता है। दूसरी योजना में 58% गैर विकास कार्यों का खर्च है और छठी योजना में वह बढ़ कर 70% हो गया। सन् 1976-77 में 14828 करोड़ रुपया सरकारी तंत्र पर खर्च होता था और इन 9 वर्षों में साढ़े तीन गुना बढ़ कर के अब यह 51294 करोड़ रुपया हो गया है। कितना बचता है आपके पास विकास कार्यों के लिए, इसके ऊपर भी आप प्रकाश डालने की कोशिश करें। जिस देश की आधे से अधिक जनसंख्या गरीबी की रेखा के नीचे रहती है, उस देश में विकास कार्यों के लिए खर्च कम हो अनुत्पादक कार्यों के लिए खर्च बढ़ता चला जाता हो यह नाकाबिले बर्दाश्त न। मान्यवर, मैं एक किसान हूं। आलू का आपने भाव बताया कि 90 पैसे किलो बेच रहे हैं। किसान से किस भाव पर खरीदा था। बीस रुपये क्विंटल भी किसानों का आलू नहीं खरीदा गया। अभी माननीय वित्त मंत्री जी बता रहे थे जनता पार्टी के शासन में आलू का भाव क्या था खेत में पड़ा रह गया था। वही हाल अब हुआ 20 रुपये क्विंटल आलू का भाव, खोदने वाला नहीं मिला खोदने पर जितना खर्च था और मार्केट में ले जाने पर जितना खर्च था किसान ने यह उचित समझा कि यह खेत में ही पड़ा रहे कम से कम इससे खाद तो लगेगी मान्यवर, चार महीने पेश्तर गुड़ और शक्कर का क्या भाव था। जब तक किसान पैदा करता रहा और उपभोक्ता को देता रहा और अब इसको जरूरत हुई तो उसका भाव दुगुना हो गया है। चीनी का क्या मामला है। मान्यवर, 1981-82 में साढ़े चौरासी लाख टन चीनी का उत्पादन हुआ था। 1982-83 में साढ़े ब्यासी लाख टन चीनी का उत्पादन हुआ था और आपने 10 लाख टन का बफर स्टाक भी बनाया था लेकिन नवम्बर, 1984 में पानी की तरह चीनी आपने बहा दी। मान्यवर, आपको मालूम है कि कितनी चीनी की तस्करी पाकिस्तान, नेपाल, और बंगलादेश को हुई

[उपसभाध्यक्ष (श्री आर० रामकृष्णन) पीठासीन हुए]

हम सोचते हैं कि चीनी लोगों को हम खिला रहे हैं लेकिन उसकी तस्करी पाकिस्तान, नेपाल, भूटान और बंगलादेश को हो गई। आपने लुटाया है अपने बफर स्टाक को, कितने दुख और अफसोस की बात है कि जो देश चीनी के मामले में संसार में 1981-82 में नम्बर एक पर था वह आज चीनी इम्पोर्ट कर रहा हैं, पिछले कई सालों से इम्पोर्ट कर रहा है। मुझे तो और भी अफसोस है और दुख के साथ कहना पड़ता हैं कि हमारे स्टाक

में दो करोड़ सत्तर लाख टन से अधिक फूडग्रेंस का स्टाक है सीरियल्स का स्टाक है लेकिन हम प्रतिवर्ष विदेशों से अनाज मंगाते हैं। 1983-84 में आपने साढ़े सैंतीस लाख टन अनाज मंगाया 900 करोड़ रुपये मूल्य का। 1982-83 में उससे कुछ कम का आपने मंगाया शायद 25 लाख टन के करीब 660 करोड़ रुपये का। जबकि हमें अपने यहां रखने को अनाज के लिए स्थान नहीं है। हम कोशिश कर रहे हैं कि हमारा अनाज किसी तरह से उठ जाये। सड़ रहा है पड़ा है रेलवे स्टेशन पर, खराब हो रहा है लेकिन हम अंधा-धुंध बाहर से मंगा रहे हैं।

श्री कल्पनाथ : क्यों मंगा रहे हैं?

श्री बीरेन्द्र वर्मा : इसका पता होगा मंत्री जी को। ये जानते होंगे। मैं मान्यवर यह जानता हूं कि उत्पादक और उपभोक्ता, प्रोडयूसर और कंज्यूमर दोनों का शोषण हुआ है। यह कैसा समाजवाद है जिस समाजवाद में प्रोडयूसर और कंज्यूमर दोनों का शोषण होता रहे और समाजवाद का भी नाम लिया जाये। यह सरकार कंज्यूमर और प्रोडयूसर दोनों के शोषण को रोकने में फैल रही है। अभी जाधव साहब कह रहे थे कि मैं केला पैदा करता हूं। 50 रुपये क्विंटल बेचारे किसान का बिकता है और 6 रुपये किलो केला यहां मिलता है। कितना बड़ा शोषण है उत्पादक और उपभोक्ता का? सरकार क्या कर रही है? सरकार उत्पादक और उपभोक्ता दोनों के शोषण को रोकने में फैल है, यह मान्यवर, मेरा चार्ज है।

फिर मान्यवर, बात रह जाती है चीनी की। आप 9-10 लाख टन चीनी मंगा रहे हैं। 164 डालर फी टन की चीनी आपने मंगाई है। बैठता है दो हजार रुपये से कम, 1950 या 1980 रुपये के करीब की आप की चीनी बनी एक टन 1980 रुपये की, इसका मतलब हुआ कि 198 रुपये का एक बोरा, दो सौ रुपये समझ लीजिए और आप दे रहे हैं 5 रुपये 85 पैसे किलो यानी इसका मतलब 585 रुपये क्विंटल। तो क्या यह एक्सप्लायटेशन नहीं है? आपका इरादा है कि भाव न बढ़ने पाएं, आयात चीनी का आकर्षण करत हैं, मुझे पता नहीं किसके हित में आकर्षण हो रहा है। फिर चीनी की प्राइसेस कन्ट्रोल करनी थी तो जिस भाव पर लेवी की चीनी उपभोक्ताओं को देते हैं उस भाव पर चीनी पर उपभोक्ताओं को देते, तब भावों पर कंट्रोल कर सकते थे। इसलिए मान्यवर, हमारी समझ में नहीं आता कि आपकी किस प्रकार की पालिसी है?

अगली बात मान्यवर, प्राइसेज की वृद्धि की बात मैंने कही थी। शहरों में जिस हिसाब से प्राइसेज में वृद्धि होती है तो गांवों में वे ही वस्तुएं और ऊंचे मूल्यों पर मिलती है तब किसान तो और ज्यादा मर गया। मैं कहीं अखबार में पढ़ रहा था कि शहर में 15 फीसदी कीमत बढ़ी तो वे ही चीजें 30 फीसदी बढ़े हुए मूल्य पर गांव वालों को मिल रही हैं। आप मेरे से सहमत होंगे कि गांवों में रहने वाले गरीब हैं दे रहे हैं ऊंची कीमत उन वस्तुओं की जिनकी कीमतें 15 फीसदी कम हैं गांवों के मुकाबले में . . . (**समय की घंटी**) मान्यवर, मुझे यह भी दुख के साथ कहना पड़ता है कि कीमतें तो बढ़ी हीं-अभी सभी कह रहे थे कि कीमतें बढ़ी हैं, इसको कोई डिनाई नहीं कर सकता आप भी मानेंगे—लेकिन किसान जो चीज पैदा करता है उसकी कीमतें कितनी बढ़ी? और किसान जो चीजें खरीदता है उनकी कितनी बढ़ी। यह मान्यवर, एक डायरी है इसमें 27 मार्च 1982 से 15 जनवरी 1983 तक की फिगर्स हैं। फूड आर्टीकिल्स की कीमतें बढ़ी हैं 7 प्रतिशत और मान्यवर अगले वर्ष में साढ़े 9 प्रतिशत लेकिन नान फूड आर्टीकिल्स की कीमतें बढ़ी हैं पहले वर्ष में 9.3 प्रतिशत और अगले वर्ष में बढ़ी हैं 19.5 प्रतिशत। आपने देखा कि कृषि उत्पाद की की कीमतों से कहीं दुगना गैर कृषि उत्पाद पदार्थों को कीमतें बढ़ती चली जाती हैं और सरकार उनको रोक नहीं रही है।

रह जाती है बात कि भाव क्यों बढ़ते हैं। बड़ा जोर लगाते हैं आप भी। जब कृषि मंत्री थे, बड़ी कोशिश आपकी और

[श्री वीरेन्द्र वर्मा]

सरकार को रही कि दालों का उत्पादन बढ़े सन् 1978-79 में हैं एक करोड़ इक्कीस लाख अस्सी हजार टन आपके देश में पज-तेज, दालें पैदा हुई थीं और, मान्यवर, तरक्की करते-करते 1982-83 में कितनी हुई—एक करोड़ पन्द्रह लाख सत्तर हजार टन यानी छह लाख टन घट गई।

इसी प्रकार, मान्यवर, ग्राउण्डनट बासठ लाख दस हजार पैदा हुई थी और 1978-79 में और घट कर पचपन लाख पचास हजार टन रहा गया, यही काटन की हालत है, आपकी कपास की, 79 लाख 60 हजार बेल्ज पैदा हुई थीं 1976-77 में और अब रह गई 77 लाख 20 हजार बेल्ज।

मान्यवर, जूट का भी यही हाल है, मेस्ता का, 83 लाख 30 हजार पैदा हुई थीं। 1978-79 में और 1982-83 में वह घट कर रह गई है 71 लाख 70 हजार। मान्यवर, मैं एक शिकायत और भी करना चाहता हूं जो आवश्यक वस्तुएं गांव की दुकानों से गरीब इन्सानों को दी जाती हैं क्योंकि आज ब्लेक मार्केट में, चोरबाजार में हैं चीनी का भाव बहुत अधिक है, गांव के गरीब आदमी को न तो चीनी मिलती है और न मिट्टी का तेल। वह सब ब्लैक मार्केट में जा रहा है और सरकार उसे रोक नहीं सकी—रोकने की चेष्टा भी की जाती नजर नहीं पड़ी।

मान्यवर, आज आवश्यकता है कि ब्लैक-मार्केटियर्ज, प्राफिटियर्ज, होर्डर्ज जो हैं, उसके खिलाफ सख्ती से कदम उठाने की, पर बड़े आदमियों के खिलाफ सख्ती से कदम नहीं उठाये जाते। इसीलिए हालात खराब होते हैं और मान्यवर, एक बात और कह कर मैं समाप्त करता हूं। सभी माननीय सदस्यों को आज जानकारी है, अभी भी कह रहे थे हमारे मंत्री जो जब बजट पेश किया, तब भी कहा कि हम 1100 करोड़ रुपये का अनाज पर सब्सिडी देते हैं।

श्री कल्पनाथ राय : किस बात के लिए?

श्री वीरेन्द्र वर्मा : इसलिए कि कन्ज्यूमर को, उपभोक्ता को सस्ता अनाज मिले। किसानों का खरीदा 152 रुपये में और उपभोक्ता को दिया जाता है 192 में, चालीस रुपये फालतू सरकार सब्सिडी दे रही है— कन्ज्यूमर को तो मिलता नहीं। फूड कारपोरेशन आफ इंडिया की दुर्व्यवस्थाओं को घटाने के लिए उनके जो अनुचित खर्चे होते हैं, जो नुकसानात होते हैं, चोरियां होती हैं उन सबको दबाने के लिए सरकार 1100 करोड़ रुपये का इनाम देती है फूड कारपोरेशन आफ इंडिया को और उपभोक्ता को किसी भी प्रकार की सहायता नहीं होती है। (**समय की घंटी**)

मान्यवर, यह शब्द कह करके मैं माननीय खाद्य मंत्री जी से, रसद मंत्री जी से यह प्रार्थना करूंगा...

श्री कल्पनाथ राय : हाथ जोड़ कर।

श्री वीरेन्द्र वर्मा : हाथ जोड़ करके ही समझ लो कि उपभोक्ता और उत्पादक दोनों का शोषण इस देश में होगा तो कैसे समाजवाद स्थापित हो सकेगा? जिस देश में 53 फीसदी आदमी गरीबी की रेखा के नीचे हों, उनको किस प्रकार से सहायता हो सकेगी, उनका किस प्रकार से विकास हो सकेगा?

THE VICE-CHAIRMAN (SHRI R, RAMAKRISHNAN): Shri Krishna Mohan. Absent Shrimati Usha Malhotra.

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SHRIMATI USHA MALHOTRA (Himachal Pradesh): Mr.. Vice-Chairman, Sir, the price line or the price management has irked many a mind and also the Government. We have heard learned speakers from across the floor as well as from this side; we have heard the ex-Finance Minister speak on this problem which is causing a great deal of hardship to the common man and every one at large. I think this is the time when we all have to put our heads together and collectively think of what ails the price structure as it is, how we

are going to bring it under control. We are all aware that curs is A developing economy and as such the developing economics across the world have shown an upward trend to the tune of 6.7 per cent, as has been pointed out by our ex-Finance Minister also. But the fact remains that we have to contain it and control it. Ours is a predominantly agricultural economy and we have to have a close watch over, it A lot of conditions somehow affect our economy because of the vagaries of nature. There are floods, there is drought, there could tie lack of adequate production or fluctuations in production. I think this time I would like to dwell on the fact that we have not been able to keep an eye on the fluctuations in the production of sugar which is ailing economy so much so that we have to import sugar from outside.

I would lay stres on certain the faith in the Government and I would like to support the policies and programmes which have been enunciated by our Government so far as the Budget is concerned, and also the fiscal policies are concerned. I would not blame the Budget for this situation because, had it been for the Budget, why then there was price rise in anticipation of the Budget and lator on, there are certain commodities whose prices have crashed and why is it that only sugar, vegetables and fruits and such essential commodities like edible oils show an upward trend, an inflationary treand is obvious. I would say that the Government is called upon to look into the fact a_s to why the farmer or the grower did not bring under cultivation his land for sugarcane. There is something wrong with the sugarcane policy. We must go into the details of it. Otherwise there is no reason why the farmer should he discouraged as not to go in for planting of sugarcane.

In our economy, as shown in this chart which has been handed over by the Finance Ministry, the inflation rate in 19&3 was 7.7 per cent. In 1984 it was 9.6 per cent and in 1985 it is 3.4 *per* cent. Overall, I would say, the cent. Overall, I would say, the inflation rate remains the came this year because in certain commodities, the prices have come down and in certain other commodities the prices have gone up. On the whole, of course, it ma_v be there. But fb< price rise in the essential commodities consumed by the common man is a cause of grave concern to each one of us. As such, I would say that there has to be a monitoring cell which would go into the details of the demand and supply.

There is a serious imbalance between demand and supply because the demand has increased whereas the supply, probably, has declined. Now, • this ratio which has been worked out by the Finance Ministry gives us the position. The consumption of sugar was 32 lakh tonnes in 1979-80, 64 lakh tonnes in 1982-83 and 83 lakh tonne in 1983-84. Now the production increased from 38 to 82 lakh tonnes in 1982-83. 59 lakh tonnes in the last year and 62 lakh tonnes in ihe current year. There is a shortfall of about 20 lakh tonnes which has resulted in this price rise so far as sugar is concerned. But I would like to point out that agricultural commodates also have a great deal of importance and as compared to non-agricultural commodities there has to be parity or near-parity in the prices between the two and that, I would say, would be an ideal siuation.

As it is, the installed capacity of different units is such that they are probably not producing as much. and. the fields are not giving as much as compared to the inputs which we have been handling over to the farmers. We have to work out in a scientific way how much we put in and how much the results are, the outputs. They have to have a certain relationship betwen theselves, the input and produce, the inputs and the outputs. 1 would also lay stress that on the one band tbe Government is concer-

[Shrimati Usha Malhotra] ned with providing remunerative prices to the farmers. The wheat price, as it ig, is under control. The rice price, I would say, has gone up by 6 per cent. I think and the overall situation is comfortable as has been declared by our hon. Finance Minister. And even if there in a slight rise, Govt, will not allow those prices to be depressed up till a certain level, to protect the interest of the farmers. Now we must also go into the details of the support price. We have increased in 1979 to 1980 from 30 to 40 per cent. That is for cereals. And for pulses from 57 to 67 per cent. For oil seeds, 34 to 86 per cent. On the other hand the Government has to maintain control on inflationary trend. We have actually handed over quite a big package of subsidies. Then, in addition to that, we have been told that the defence expenditure has also gone up. We have to bear in mind that on the one hand we are trying to mop up our resources and trying to build up what we have been able to get. The deficit financing a_s ha_s already been eplained by our hon. Minister, has nothing to do with this. It is something which we have to manage. The managing of a situation like this has to be scientifically examined, and wherever there is an imbalance between the inputs and the outputs, the demand and the supply, the Governmeni has to go carefuily into it and *a* method has to be worked out to coordinate between different Ministries the food, the civil supplies and the agricultural ministries. And after the cell has been constituted, it should regularly monitor the production , the areas which have been brought under cultivation for certain commodities which are in demand are adequate and which are consumed by the common man. We have to lay stress on this.

Then, about the public distribution system, 1 would say that a lot much is desired on that. There has to be an expansion of this system, and we have to carry it to there remotest corners of the country. As it is, what I feel is that the infrastructure does not have that sterngth to carry the burden of what it is supposed to carry.

As has been pointed out, the levy sugar is being distributed o_r disbursed at a certain price. There is no reason why we could not take into account this price while distributing the imported sugar. And I think we have to have faith in ourselves. We are having it no doubt. And we should also have faith in the machinery that is going to distribute it or disburse it to the common man. we have to be alert, we have to be givilant so that we are not let down at any level anywhere.

The consumption of sugar also has gone up. My hon. colleague some time back did pose a question by saying that the population has also gone up. I would add to it that as many as thousands and lakhs of families which have been brought over the poverty-line, who also have contributed towards more consumption. Have we taken into consideration all these factors, that we were going to face this sort of a situation? Did someone monitor at any stage that th_e demand would be this much and that the supply would not be as much as was required? And if the imported sugar was got well in time, probably the States also have also contributed towards this problem. They were allocated about 75,000 tonnes of sugar, and they were not able to lift it. They lifted only 7,500 tonnes. Should this sort of behaviour be tolerated? I would ask the hon. Minister because the common man has suffered at the hands of the administration, at the hands of certain people who were not-alert enough or who were not attentive enough to lift it at the earliest to ameliorate the suffering of the poor or the common man in the street or anyone of us for that matter.

" I would lay stress on certain points, that w_e have to take

long-term measures as well as short-term meausres. The long-term measures should be that we scientifically analyse how much we are going to meet by way of production in the field, by way of production in the factories and also to see that the installed capacities are well utilised. We also have to streamline this public distribution system. These would be the bution system. These would be the long-term measures which we can take. There should be some sort of thinking within the Government to give more incentives to the growers for the sugarcane production, because there is something which is missing between the growers and the > Government; otherwise this situation could not have arisen. I feel that hoarding has to be detected and dealt with severely and sternly. We have also to coordinate our efforts with different Ministries^ Then, I think we will be able to overcome this situation. We have full faith in the Government. As has been pointed out by our Honourable Minister, we have to completely delink this problem with the budget, because otherwise we will not be able to diagnose the real problem where it lies. We have to take into account the problems which exist in the fields, and with which the farmer is confronted with.

We are reminded of the time when the Janata regime was there and the grower had to burn his sugarcane right in the field itself, because he was not given the price which probably he had spent in bringing it up or growing it. This sort of situation, I am sure, will not arise, because I think the Government has moved well in time and is alert. With these words, I conclude. Thank you so much.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Shri B. Satyanarayan Reddy.

SHRI B. SATYANARAYAN REDDY (ANDHRA PRADESH): Mr. Vice-Chairman, Sir, first of all, I would like to read two or three sentences from the letter written by the Finance Minister on the 5th July, 1385, regarding the prices, before I deal with the subject. I quote:

> "You are concerned about prices. We all are. However, there is some good news. Data available for the first three months of the current year (upto June 22, 1985) show that increase in prices in the current financial year has been the lowest in the past 7 years. The increase so far is 3.5 per cent as against 4.9% last year and 4.5 per cent in 1983-84".

He means to say that the prices have come down and this year it was the lowest. But it is quite contrary. If you go to any market we can find out from the price list. On the other day I was reading out this letter loudly to some of our staff members and they told me that they have purchased the "Postman" oil at Rs. 27.50 per kg and wondered how the prices have come down. On the other hand, the Finance Minister has shown something lowest. He has the statistics supplied by the Government. ,In the statistics it is shown as Rs. 16.25 I know that some years back it was Rs. 19.00. Later on it increased to Rs. 20, Rs. 22, Rs. 25 and now it is available at Rs. 27.50 per kg.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): There are different brands of oil.

SHRI B. SATYANARAYAN REDDY; I am telling about "Post nan" groundnut oil... One day I also enquired in the Super Bazar the price of "Postman" brand oil. They told me it was available at Rs. 27.50 per kg. This has happened recently. There is a continuous increase in the prices. I think the Finance Minister has written the above mentioned letter to all the Members of Parliament in which he has tried to show something lowest. In this connection, I would like to refer to the magazine.... In this connection, I would like to refer this mazagine—the change seen under caption An Economic Round Up

[Shri B. Satyanarayan Reddy]

from Mid February to Mid April, 1985. Here he referred to prices and I quote:

> "index number of whole sale prices stood at 339.7 on 9th March, 1985 signifying an increase of 5.2 per cent over the corresponding date a year ago and manufacturers of caustic soda raised the ex-factory cost of caustic soda thrice from Rs. 4500 t_0 Rs. 4800 in April."

So, this is the situation.

The prices are increasing. There is no indication that there is that decline in the prices. Take for instance, the essential commodities which are very essential for the common man, leave those who earn more. Take for example the vegetables, the edible oils, soap, cooking gas, cooking coal,; (fire-wood, any other item which is very essential to the common man, the prices are steadily increasing. There is no indication of declining. My friends from the othe$_r$ side were telling that there are some articles in respect of which the prices have been declining. Which are the articles which are applied by the common man? Take for example the farmer produces the grain, rice, wheat, pulses but he has to purchase all other things except the commodities which he produces. There are certain things he has to purchase. Everything he has to purchase agricultural inputs Oil, soap, vegetables etc. For the produce which he produces, he won't get remunerative price Similarly, the wage earners and the workers in the factories, the common man and the poor man, the weaker section and the backward classes, all of them have to depend upon these essential commodities.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Please give suggestions how it can be rectified.

SHRI B. SATYANARAYAN REDDY: What the Finance Minister has justified is that there is no increase in the prices of these commodities. I am telling, even the Finance Minister while intervening has said slowly, now there is increase in the pri ces of pulses, vegetables, oils etc. etc. No doubt, he is right. But the subject for discussion is essential commodities with which we are concerned the common man is concerned. For that, what the government is going to do? So, you have to adopt a policy by which you can control the prices of these commodities. You have to fix the price of every commodity. I have been to China recently. I saw in every shop, the prices has been written. You cannot sell for more than the price that has been noted, even the agricultural produce. Of course, the state controls it. The state sells to the retailers through cooperatives. The government has fixed the prices but there is no such thing here. You have to evolve a method by which you can control the prices of consumer goods We have to control the prices of commodities which are required by the common man. What steps, what system you are going to adopt? The government have to think over this in order to solve permanently the problem of rising prices. There are three things which are very important for solving the problem of prices. One is production. Second is proper distribution and third is de-hoarding and fourth is the control cf black marketing and profiteering. How you are going to tackle these things. So far as production is concerned, you have to encourage the farmers and producers. You have to pay remunerative prices to the farmers. Unless and until you give remunerative prices to the farmer, you cannot expect from him to produce more.

The farmer is starving. While Even an small business man, is able to build a house for himself, the farmer is not in a position even to give proper education to his children or buy medicines for them. This is the situation. So the Government

must see that the farmer gets a remunerative price for has produce,

As regards the distribution system. you must evolve a system by which essential commodities reach every nook and comer of the country, to remote places where Adhtesis live, where weaker sections live, where there is no road or transport, and you must ensure that these essential commodities are supplied to the poorest of the poor at reasonable prices. What steps are you taking against hoarding? What have you done for de-hoarding- Daily we read that so many raids have been conducted. But in reality Government is not serious enough to punish those who are hoarding, those who are having black money, those who are indulging black-marketing. Government must take stern steps to bring them to book. Until and unless you take stringent measures, I don't think you can bring the price situation under control. In the end I would draw the Minister's attention to the price increase and its impact on the unorganised sector of the people. The organised sector will somehow manage to get bonus, dearness allowance, etc. What about the unorganised sector, the wage earner he labourer, the weaker sections the backward classes? How are you going to meet the situation for those sections of the people? What kind of a policy do you have for them?

As regards rice, though we had requested you for more, rice, you have not helped us. What we are doing in our State is we are giving a subsidy we are supplying rice to poorer sections at Rs. 2 a kg. Similarly, we are supplying cloth, coarse cloth, or a dhoti or a saree, to the poorer sections at subsidised prices. I am not saying this to praise my State Government. I am mentioning it just to give an example to the Central Government, so that the Central Government can adopt a uniform policy throughout the country to help the really needy sections, to safeguard the interests of the really deserving. Those who can afford to buy at any cost, can look after themselves. But what about those who are economically weak, socially weak, the downtrodden, the backward? Their interests will have to be protected. There fore, Government will have to evolve a policy by which the prices are controlled. The Minister is an expert so far as farmers' problems are concerned. He knows their problems thoroughly. Untill and unless she pays them remunerative prices, they cannot increase their production and unless there is increased production the price situation canot .he controlled. Thank you.

SHRI S. W. DHABE (Maharashtra): Mr. Vice-Chairman, the subject for discussion before the House is the steep rise in the prices of essential commodities causing acute hardship to the common man. What the reasons for that are, is the point in question. I suggested that it is a very important subject and the debate should have been started at 12 o'clock. The Minister of Parliamentary Affairs is here. I appeal to her through you, Mr. Vice-Chairman, at least let the reply to the debate be made tomorrow morning.. .

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): The Minister is feeling that you say it is such an important debate but the attendance in the House is so thin and poor that it does not really reflect your concern for the subject. The time allotted to this was from 3 to 7 and the Minister is supposed to start the reply at 7...

SHRI S. W. DHABE: Our party has got 16 minutes and we will finish within that. . .

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Quite af ten Members say Ministers are not present. The Minister has been listening to the debate. At least those who have spoken should extend the cour-

tesy of listening to his reply. So many times Members observe that the Ministers are not there. Ministers also feel the same way now that Members are not present to listen to their reply.

SHRI S. W. DHABE: I agree with him that at least those who have spoken should be here to hear the reply by the Minister.

7 P.M.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): And the concern expressed by the Members should 'be reflected in their attendance here to hear what the Minister says.

SHRI S. W. DHABE: The concern that we express is for the whole of India and not for the Members of this House only. '

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): They should listen to the Minister so that they can convey it to the people.

SHRI S. W. DHABE: Anyhow, Sir, I would request the honourable Minister and the Minister of State for Parliamentary Affairs to see that at least the reply by the Minister is given tomorrow at 12, o'clock so that there can be a full House to hear that.

Now, Sir, I have got a few suggestions to make. I do not want to go into the whole gamut of the subject and I do not want to go into the various reasons as was done by so many speakers.

THE VICE-CHAIRMAN: (SHRI R. RAMAKRISHNAN): You make fresh points.

SHRl S. W. DHABE: I will give only a few concrete suggestions as to what should be done and what is possible to be done. Sir, we are neither a capitalist country nor a socialist country. Ours is a mixed economy and .therefore, we cannot think of an economy with a price system that is there in the socialist countries where the price is the same throughout the country. At one price we can get a commodity anywhere in Russia. Also, the prices do not change even for years the prices there are controlled and the prices are administered and the prices are at the same level for a long time. That system is not there in our country. Secondly, production proceses are such that production is very high and, so, they can meet the demands of the people with this high production. If there is less production, then the commodities are rationed out and they give less quota to each family. So, the problem in the socialist countries is different and is tackled at a different level, in a different way. I would like to tell now that it is high time that the Government evolve a national income price and wage policy. The Government has totally failed in this regard. They think that the wages should not go up. But there is no uniformity. Wages are not uniformly increased. Sometimes bonus is given to the Central Government employees and save State Governments have also given. But there are many State Governments which are not giving bonus to its employees. Only some sections of the Central Government employees are getting bonus. Even the Parliament staff arc not getting. The Government does think that the wage increase is a point of inflation. But if we ask for a debate on the price situation, I am surprised to see that the Government gives wage and DA increase as the reason for the price rise, for the inflation that we are having in our country. But inflation is due to the wrong policy of the Government. It is only because of the wrong policy of the Government and the high prices that demands for Dearness Allowance and increase in wages are made. The Central Govern"[1]-ployees' DA has been increased during the last two years several times and the Government was required to allot more than three hundred crores of rupees which itself is an indication that there is a steep rise in prices. But the Government is not prepared to own it up. Today, the poverty line

is described to be there where the daily income is less than three rupees in the urban areas. Unless the income increases and the purchasing power of the people increases, there is no chance of the people having any batter standard of living. We talk of the poor people. Under the Minimum Wages Act, even the unorganised people are entitled to DA and they have to pay what is called the cost of living allowance under this Act itself. But, for the last forty years, we have not implemented this provision and they have not been paid the cost of living allowance. The Govern, incapable of controlling the prices. I think therefore that the Government should at least pay DA to all those workers who are working in the rural areas, those who are at the lowest level, and unorganised. Even with regard to maintaining prices, the Government had announced that they will have a Civil Supplies Corporation. This has been stated for the last two years. I do not know how many State Governments have set up any such Civil Supplies Corporation and what system has been adopted for purposes of distribution. I do not know what the stand of the Government is. As regards the administered prices and the price of sugar i want to submit something unportant. Today the reply has been given by the Minister that from January 1985 to 31st July 1985 they have imported 4.99 lakh metric tonnes of sugar. But the most important question which I asked was not replied to; at what rate it was imported? The only reply he has given is that it differs from contract to contract. I am surprised why the Minister ig so shy that he does not want to take the Parliament into confidence about the rates at ^,-v' they are purchasing imported sugar. It is generally believe that you are importing sugar at Rs. 1.60 per kilo up to Rs. 2. per kilo. If that is so, than you are charging the people Rs. 5 a kilo. What more exploitation can there be than this? Government itself is encouraging exploitation by its own conduct. Same is happening in the coal sector. Today I received a reply that they are going to have an increase of 10 per cent in coal prices. Twenty-five per cent increase has been there in the case of coal last year. Railway fares have been increased. Freight charges have been increased, The major sector, energy and power and everything is in the Government sector. It is not in the hands of the private sector. The price of every commodity has increased. Even the price of kerosene has been increased. Matches for the poor people are being sold at 30 paise today. Prices of essential commodities are going up. Therefore, my suggestion is that prices in the administered sector, in the Government sector, should be stabilised and there should be no increase. Therefore, my further suggestion is that a national wage policy is absolutely essential in this country so that the fixed income people do not have to worry about it.

Sir, in this connection there is always a contradiction. If the prices crash, the peasants suffer. And if the prices go up, the ordinary consumers suffer. Therefore, I suggest to the Government that there must be a parity between the remunerative prices to the peasants and also reasonable prices for the consumers. If this is done, than at least the poor people will not suffer at the hands of the Government which has no economic policy so far as the poor people are concerned.

Thank you.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): The last speaker; Shri Ghulam Rasool Matto.

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): Mr. Vice-Chairman, Sir, although I belong to the Opposition parties, I do not subscribe to the view that the price increase is due to the fiscal policies or the budgetary impact that has been announced last March, The fact of the case is that when there was a very good crop last year and a very good budget according to my

[Shri Ghulam Rasool Matto] leftist friends also, even then prices rose. So the single factor responsible for the price increase is supply and demand and it is precisely here that the Government has to take into consideration and has to monitor always; as Mrs. Usha Malhotra said very correctly, they have to have constantly their finger on the pulse of every commodity; every commodity has to be monitored the production of every commodity has to be monitored. For instance take the case of sugar which has been debated for long today. Mr. Vice-Chairman, Sir, the question of sugar has been debated very long today. But I do not understand why according to the Government's estimate also there is 20 million tonnes shortage this year also. Still there is a gap of 11 million tonnes. If this gap of 11 million tonnes is not made good, how is it possible that prices will come down?

The question is that the Civil Supplies Minister has to have a grip on the entire production and distribution system. Unless this is done, the prices will continue to rise. There is a tendency to compare the quarterly prices with the last year's prices and to say that last year in this quarter the increase was only 5 per cent and this year the increase is only 4 per cent. It is, not a correct appreciation of the whole situation. The question is: what is the increase per year? The increase in the last few years has been enormous and in this connection the Government's policies have also to be taken into consideration.

I have only one more point because the time at my disposal is very short. There are certain other elements also responsible for the increase in prices. I would like io bring to the notice of the hon. Ministe* that according to the newspaper Patriot of Saturday. Mr. V.P. Singh has sent a private letter to Congress (I) Members. What has he written in this letter? While soliciting members' suggestions on ways to reduce prices, he said:

> "Government expenditure is certainly a matter for worry and I am prepared to cut it. But this would mean less money for projects in the States, a cut in subsidies and curtailed increases in D.A. etc. We have high food stocks and our foreign exchange situation is also satisfactory."

What he has disclosed further is very important. He disclosed that the prices of groundnut and mustard oils were falling in the market, but the Government had bought nearly 75,000 tonnes of mustard seed to keep the prices up. He said that instead of seeking to bring down prices by importing oil or oilseeds, the Government should "carefully regulate our releases so that prices to the farmers remain remunerative. He has said about allocations also. Now, this is a very dangerous thing. The Government has a stock of 75,000 tonnes of oilseeds. They are not releasing it simply because they want that this thing should happen. What is the result of this thing? The result of this leakage will be that the hoarders will hoard oilseeds. It has appeared in a Telugu paper. During the last week, there has been an increase..

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN). Do you know Telugu?

SHRI GHULAM RASOOL MATTO: Surebody was realing and I have heard from him. The price of edible oil has increased by Rs. 2| This should be avoided The only consideration that should weigh with the Civil Supplies Ministry is that of supply and demand. They should monitor and understand what is our supply and what is our demand. According to Mr. V. P. Singh's letter which I have quoted here, there is a shortfall of 20 million tonnes of sugar, only 9 million tonnes have been imported. There is still a shortfall of 11 million tonnes. This 9 million tonnes will come in tricklets. We will still have shortages. What is important is that there should be a strict control on the production. They should find out the exact quantity needed by the country. The supply position should be taken into consideration in advance so that shortage do not occur. We should also take into consideration that such news items do not appear in newspapers.

IHE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Now, the hon. Minister for Food and Civil Supplies will reply.

THE MINISTER OF FOOD AND CIVIL SUPPLIES (RAO BIRENDRA SINGH): Mr. Vice-Chairman Sir the debate on the issue of rise in puces of essential commodities has been very interesting. This is the burning topic of the day. The discussion raised was on the subject of rise in the prices of essential commodities. But the hon. Member who raised the discussion was more concerned with our fiscal policies. My able friend, Mr. Pranab Mukherjee replied very aptly to all the issues with the backing of his experience and handling of the finances of this country, as also with his experience as the Commerce Minister. He put the things in the correct perspective, and he made the job of my colleague, Mr. Vishwanath Pratap Singh, the Finance Minister quite easy Mr. V. P. Singh has very elaborately given the background of the various Budgetary measures that were adopted and the need for them. I would not like to go further into these things because I would like to give the hon. Members the information about the steps that we have been taking or we want to take about containing prices at a reasonable level.

Sir, there is no doubt whatsoever that the rise in the wholesale price index during the period from April to 13th July, for which I have the figures, has been 4.5 per cent. I do not know if still the hon. Members doubt these figures. What is thei basis for their suspicion or for their doubts? These are the figures generally accepted. They are compiled by the various agencies of the Government. This 4.5 per cent rise in the wholesale price index is the lowest during this period over the last five years. I would not give the figures for all the years.

SHRI SHANKER SINH VAGHELA: What about the retail prices? The consumer is concerned with the retail prices and not the wholesale prices.

RAO BIRENDRA SINGH: It is not possible to give you the index for the retail prices because that is not maintained, and the retail prices, as you know, differ from place to place, even from shop to shop and market to market.

Similarly, Sir, the rate of inflation as reflected in the wholesale price index during the week ending 13-7-1985—the annual rate of inflation—is 5.6 per cent. And this is also the lowest during the last five years except for 1982. In that year, it was a very small rise. After giving these figures, Sir, I would now like to come to the causes for the concern which the hon. Members have shown for rising prices. Government is also concerned. I do not dispute the fact that there has been a trend for prices going up and up during the last four months after the Budget. And it is quite natural that the people in general resent this price rise. We also do not like it. A few commodities—in fact, there are 67 commodities which are listed as Essential commodities—are brought under the purview of the Essential Commodities Act and the intention, so far as I gather, of the hon. Members is to talk about the availability, the prices, regulation mechanism of these commodities because under the Essential Commodities Act, Government has got powers to regulate the production, the distribution, the prices, import and export and trade of these commodities; but this is also known to the hon. Members that Government has not resorted to any statutory price control. Most of these commodities are industrial products; there are important essential agricultural goods also and the prices, as has been seen in the past show a rising trend during this part of the year. Several hon. Members have very strongly objected to the use of this term. My hon. freinds this side also did it; and they objected to the use of the words seasonal factor' in rise in prices. Mr. Pranab Mukherjee emphasised on this also. But this is true. We have left behind the last harvesting season 3 months back. W« are still 3 or 4 months away from th« next harvesting of some of our important kharif crops like ground nut, paddy. We are still 8 or 9 months away from our rabi oil seeds crops like mustard. We are another 9 or 10 months away from our Rabi season harvesting. It is at this time when agricultural commodities specially have been sold out; they have been stored; expenditure has been incurred by traders, by people to store them, by dis-

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tributors, and then there is a certain amount of speculation also. There is also damage and perishability that comes into play and, therefore, prices tend to rise. But, as you know, God of rain is the Finance Minister of God. We have had very good monsoon. If this monsoon had failed, prices would tend to go still higher. But this is going to have a very good effect on the general price trend in the country.

There has been talk about very high, exceptionally high, prices in certain commodities. The worst is the sugar. Sugar has been the main point of criticism by hon. Members. Then comes the group of vegetables. There are certain other commodities which are distributed or sold on Government's administered prices. I will not deny that some price rise was foreseen in the Budget proposals. If freight goes up, if the prices of petroleum products go up, if transport costs go up, there is going to be additional cost incurred by traders, distributers. If vegetables have to be brought from far off places, say, onions from Gujarat or Maharashtra or and from Jhansi and far off places, they are going to be sold at a higher price. The same goes for foodgrains, and other commodities which are supplied through the public distribution system. Sir in the public distribution system, there are only seven items, seven main items, which the Government of India distributes. This is only with a view to keep a check on prices in the open market. We have not adopted a rationing system. That is why, I cannot accept thei proposal by hon. Members, made again and again in this House even today, and earlier, that we should nationalise the trade in certain items, in the case of certain essential commodities, foodgrains or anything else for that matter, or even sugar. Some hon. Members advocated the nationalisation of sugar factories.

SHRI KALP NATH RAI: That is correct.

RAO BIRENDRA SINGH: That is corract? But I somehow feel that this is not practicable. It is a fact. I accept it. W© are not able to distribute this 65 per cent sugar, through our fair price shops, taken over from the mills, at a fixed rate. There are complaints. We cannot reach the sugar to all the villages. Complaints regarding sugar not being distributed in the rural areas, in some places in the country, are also correct. Part of it, over and above the people's share, their quota, is given to the cities to meet the needs of the more vocal population. It is correct when hon. Members say that the poor villagers do not get sugar in all the places, through the fair price shops, in the rural areas. Eighty per cent of the fair price shops are located in the rural areas. Now, 1 do not know what I can do about it. The States claim that once sugar is distributed to them, allocated to them, it is for them to regulate the distribution. They should have the right to give fixed quotas, to any place they like, higher in so/ne places and lesser in some other places. But we have been impressing upon them the need to give a fair treatment to the people all over. This is per capita allocation of sugar, based on last population figures, figures of the last census, as regards population in each State.

The same is the problem in regard to other commodities. We give from our Central stocks, sugar, rice, wheat, controlled cloth, edible oil, soft coke and kerosene oil. These are the seven items. About kerosene oil also there are complaints. Kerosane oil is sold at the administered price soft coke is sold at the administered prices. Government of India fixes the issue prices. Prices of kerosene were raised after the Budget. But we cannot ensure from here, from the Centre, that the distribution in the States would be absolutely equitable. We have been receiving complaints that kerosene oil meant for domestic consumption is given to some industrialists. This is not at all meant for industries. Industrial quota can be separately demanded. There is month to month increase by the Petroleum Ministry, on the basis of the demand from the States, kerosene oil distributed during the period January to June is 6.1 percent higher than the period before that. Soft coke also. Additional quantities have been released, 8.5 per cent more.

But that does not solve the problem. The problem is, as the hon. Members rightly observed, an effective, foolproof and efficient distribution system, and hon. Members, I hope, know that public distribution system is a State subject. We do not have our fair price shops. It is only a lew cooperatives at the national level which we are using for marketing and for distribution, and an organisation like the Super Bazar in Delhi they have got branches. Whatever we can do through these agencies we are doing and we are trying to gear them up to bring down the prices.

Sir, sugar problem actually arose on account of the gap in production and consumption. The production suddenly came down. We exhausted our previous stocks to keep the prices at a lower level. When we came to know that the production even in the current year would not be enough to meet the requirements, a decision was taken and early in the year to import sugar.

SHRI KALPNATH RAI : Why did the production come down?

RAO BIRENDRA SINGH : Production came down due to various factors. Let us not go into that because we are now discussing only the prices. We shall try to adopt a long-term policy to increase production of sugar. It is not on account of inadequate licensing capacity or installed capacity of sugar mills, as Mr. Jadhav pointed out. If we give licences liberally, it might result in more sick mills.

SHRI VITHALRAO MADHAVRAO JADHAV: You can take some action against the sick mills.

RAO BIRENDRA SINGH: For that we can only pursue the matter with the States. We can pursue them, we can pressurise them as far as possible, but we have our difficulties. Would the hon. Members suggest that the Central Government should take over all the distribution work in the country? Is it possible? Can any Central Government do it? Can we resort to rationing for everything? Can we take all the trade into our hands? Can we nationalise all the mills and run them? We have only eight sugar mills, sick mills, taken over by the Central Government. We know that we are not able to look all the mills and run them, after them. We are thinking returning three of them soon and the others also we want to return as soon as formalities can be completed.

Sir, as soon as sugar started arriving in May. ..

SHRI VITHALRAO MADHAVRAO JADHAV : Why don't you build up efficient cooperative infrastructure for this purpose?

RAO BIRENDRA SINGH : Some cooperatives can be efficient, but everything cannot be entrusted to cooperatives also. I do not want to give my personal views about cooperatives because they can be good, they can be efficient, they can also be inefficient. It all depends on the people who are behind them, and, of course, the management.

We adopted a policy of distributing this sugar through various channels. The free-sale quota of the factories was exhausted. We diverted the levy sugar that was the Government 65 per cent share to the factories to keep their trade channel going. Now they were not entitled to this, but we did not want to starve the trade. Therefore, we gave them this levy sugar, indigenous sugar, but the mills are making profit over it, undue profits. The traders are making undue profits over it. We wanted to sell all this imported sugar through the States. We asked them to lift their quota. States were allocated in June and again July and I am glad to say that though the States could not lift suffiicient quantities in June, they did much better in the month of July. The total quantity allocated to States in June was 75,000 tonnes, but they could lift only 7,495 tonnes.

SHRI JAGESH DESAI : Very small quantity.

RAO BIRENDRA SINGH : Yes, a very small quantity. But then they had to make financial arrangement and other things. They were also not prepared for this sort of distribution. We asked them to distribute to bulk consumers, to people for marriages and other occasions, to hostels, to hospitals, to restaurants, so that pressure on the market could be reduced. But in the month of July, out of 1,25,000

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tonnes of sugar, 72,819 tonnes have been lifted and we hope things will improve further. We have given 50,000 tonnes more of indigenous sugar this month to the mills for free sale in the market so that the wholesalers, the traders get more of this indigenous sugar. Now there has been a canard spread by trade and vested interests, including the millers, that this indigenous sugar is much better, it is sweeter. I have said it again and again that imported sugar it has been tested, that this is the purest, most hygienic and sweetest sugar found in the world.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN) : Sugar by any other name tastes as sweet.

RAO BIRENDRA SINGH: We are up against an organised publicity campaign. You see this advertisement covering two-thirds of a page in the Hindustan Times. I can see a man' with a cup of tea, with a screwed up nose, making his face that the sugar is very bitter. It is inserted by the Indian Sugar Mills Association.

SHRI JAGESH DESAI: You should take action against them.

RAO BIRENDRA SINGH : Their effort is to pressurise the Government to give all this imported sugar to trade. This is what it comes to. But if we give all to the trade.....

SHRI JAGESH DESAI: Why should you?

RAO BIRENDRA SINGH: . . . could they not hold us to ransom? How could the Government part with the responsibility of serving the consumers and supplying them this important food item at a reasonable rate?

Sir, we have taken certain steps. It will take some time. *(Interruptions)* But already we have increased the availability to an all-time high for the month of August. Fifty thousand tonnes of sugar is being auctioned through the FCI. The auction system has picked up. The wholesalers can buy it. In Bombay it has had a very good effect. I have got press cutings that the sugar prices are coming down to such an extent that when the last auction took place in Bombay of more than 8000 tonnes, the wholesalers who had paid the security amount are forfeiting their security amounts and not taking this sugar because they fear that the prices will come lower than the price at which they bid, So that is a good trend and we hope we shall be able to control the situation. Four lakh tonnes of sugar has been made available for the open market, which is an all-time high. The three lakh thirteen thousand tonnes of sugar to be given at the price of Rs. 4.40kg. through our public distribution system has been raised to a quantity of three lakh sixtythree thousand tonnes because of the festival season during these days. We hope to be able to give additional sugar in the future months for the festival season so that the market is not exploited, the consumers are not robbed by unscrupulous traders.

SHRI JAGESH DESAI : Are you not going to give the imported sugar totally for the public distribution system?

RAO BIRENDRA SINGH : Why should we give totally for the public distribution system? Because, then it will mean that the millers and traders will be able to say that the consumer is fed with cheap and inferior imported sugar by ihe Government and not large-grained indigenous sugar which is getting a higher price in the market because of consumer preference. This is probably not right placed.

SHRI JAGESH DESAI: At Rs. 4.40?

RAO BIRENDRA SINGH : Yes. We are doing it. Fifty thousand tonnes of imported sugar has also been put into our public distribution system this month; we may increase it. But when we have got indigenous sugar for the consumer, for tha public distribution system, why should we give all the indigenous sugar to the millers for open market and to the traders and not give this indigenous sugar if it is more palatable, more acceptable to the consumer also through the fair price shops at Rs. 4.40?

SHRI JAGESH DESAI : By way of extra sugar?

RAO BIRENDRA SINGH : Extra we are giving.

We hav$_e$ also taken action against exploitation with this large grained sugar which the trade is indulging in. We have so for been allowing the mills to give us the medium type of sugar, smaller-grained sugar, for our levy system and if they wanted to retain the large-grained, large-crystal sugar for themselves, we were not objecting to it. But since they started having huge profits on this, now we have stopped that. We have also demanded 65 per cont share of our levy quota from the large-grained sugar also from this month and we are also, as the Finance Minister announced, thinking of mothods to bring to book people who are making huge undue profits and which, probably, they are not showing. We will see how they can be brought into the net.

SHRI SHANKER SINH VAGHELA : What it the importing price of sugar?

RAO BIRENDRA SINGH : You have rightly asked it. It is below Rs. 2 in the international market, but about Rs. 2 is the duty and cess imposed on landing. So it comes to about Rs. 4, but then conies cost of transportation all across the country, the handing charges, the distribution costs. But we have reduced the price. After the views of hon. Members in the two Houses expressed again and again that the imported sugar price should be reduced, a decision was taken and announ ced by the Finance Minister in the other House two or three days back that imported sugar would now be supplied at Rs. 5.20 and not at Rs. 5.40 so that the price of sugar sold through our public distribution system, through the super bazars and through consumer stores in the districts, in the States and in the large towns can be as in Delhi, at Rs. 5.50 open, unpacked and at Rs. 5.65 in packs. That is a very reasonable price for sugar.

Sir, I am sorry, I am taking a little more time because I thought this is a very important topic.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): Go on. It is a very important subject and you can be very exhaustive.

RAO BIRENDRA SINGH: But then the question arises as to how far we can depress the prices. It is a question of demand and supply. You would agree, Sir, that prices are the best incentive for production, and the best way to control prices is to increase production. If the pi ices are artificially depressed, production cannot pick up. Sir, GNP, as was stated by Mr. Mukherjee and other friends, c?ii increase. Production can only increase if the prices are remunerative, particularly for agricultural goods. Now, hon. Members would like to know the cost of production of the indigenous sugar. It is Rs. 4.05 per kg. or Rs. 4051- per quintal is the cost of production in India. And it is very much higher than the cost of production in other countries from where we are getting sugar cheaper than Rs. 2 per kg. If we iell sugar at Rs. 4.05 or Rs. 4.50, what would be the condition of the sugar mills? And this, Rs. 4.05 is at a price of Rs. 22 paid for the sugarcane to the farmers. If Rs. 4.05 is the cost of production if it is not sold in retail around Rs. 6]-, it is not viable for factories to produce sugar in India. Or the farmers will have to be paid much less than Rs. 22 per quintal for their sugarcane. What would the hen. Members prefer? Not paying the farmers a remunerative price? Not giving them incentives for larger production? The sugarcane area has already depleted, it has come down, from 31 lakh hectares last year to 29 lakh hectares this year. While !ast year with 31 lakh hectares under iugaicane we produced 59 lakh tonnes of sugar, in fact with a much smaller area, with 29 lakh hectares under sugarcane cultivation, with 2 lakh hectares less than last year, we have been able to produce 2 lakh tonnes more compared to last year. Our production has come to 61 lakh tonnes, whereas the area under sugarcane is 2 iakh hectares less this year. That shows that Government has been taking steps to stop, *to* prevent, larger diversion of sugatrane to khandsari and gur. We have

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been trying to see that more sugarane is diverted to the factories, and that c<in only be done if the farmers are given money, they are paid, for the sugarance supplied, in time. And this can be se;c from the fact that the sugarcane price affears this year are only 3.3 per cent or so as compared to about 10 per ';ent last year at this time of the year. The arrears have been cleared. The State Goel n ments have been asked to be very active and vigilant in this regard. This is one of the steps I am mentioning.

Hut, then, there are several steps that we are taking. Sir, this is the story of sugar. We hope, we shall be able to bring down the price. But, then one has also to consider that the price should be maintained at a level where our industry keeps going, where the farmers keep growing, where the consumers also keep getting their supplies at a reasonable price. Thi; has to be the policy. This is the policy that we have adopted and we have found *it* Ihe best policy so far. It was changed by the Janata Party Government and they had to revert back to this policy after they had burnt their fingers. They had decontrolcd sugar in 1978. After the dual pri;.ng policy again in December, 1979, they walked out just before that time. Now, there are various alternatives. But it is very easy to talk about prices not being checked, not being controlled. Then we have to think of alternatives, would the hon. Members like that the farmers should not be paid remunerative prices?

SHRI KALPNATH RAI: What is the long term policy?

RAO BIRENDRA SINGH: The long term policy would be to stabilise production by ensuring fair price to sugarcare gtrwers: and maintaining the price level at a point where the factories also will not lose. They will not go sick. If we give more licences unrestrictedly, more factories are likely to go sick.

Now I come to vegetables. There was an objection and it was said that the prices of \egetables had risen very high. It if wrong.

Ihe rise in wholesale price indsx ior tereab from April to mid July for Ihe five years I would like to quote the figures. In 1981 it was + 7.7 per cent. During this period in 1982 it rose by 3.1 per cent. In 1983 by 4.2 per cent. In 1984 it was, 1.8 rev cent. In 1985 it has gone up by 5.2 per cent.

Ihe wholesale price index for pulses which increased in 1984 in the sam; period was 12.1 per cent. In 1985 it is 4.4 per cent. In 1983 it was 12 per cent.

Similarly about fruit and vegetables. There was a lot of discussion on these items. In 1985 in the same peril J the wholesale price index variation in +25.6 in 1985. Last year during the same period the variation was +24.2 per cent. Before that in 1983 it was +14.9 per cent. In 1982 it was 24.4 per cent In 1981 it was + 28.7 per cent. Can anybody still say that this is not the season^ factor? This is the seasonal factor for fruit End vegetables. Some kind of fruit and vegetables go higher in prices and for others prices i\> rot rise much. There is a very interesting thing to point out. We talked about potato crisis during trie 3-112 months period, having risen by 1(V *pet* cent. Now these percentages do no* indicate much. The potato price still is Rs. 1.20 per kg. in Super Bazar That wis on the 30th July, 198J. It is being sold it Rs. 1.15 per kg by the Delhi Civil Supplies Corporation and in the open market it is available at Rs. 2 *per* kg. After the presentation of the budget the potato Price was Rs. 0.80 or Rs. 0.90 per kg. If it goes to R s. 5.2 per kg. it will be more than hundred per cent rise.

Similarly, onions: it is being sold at Rs. 1.15 per kg in Super Bazar in the open market it is Rs. 2 per kg. But tomatoes are available at Rs. 8 per is because it is out of season. In the case of green has it may be even night Similarly, biddies may also be higher But after 15 days or so, they will become cheap. Ibe same may be posuion ı of naddu, for and other things. No», bain-

gons are quite cheap, in Super Bazar palak is being sold at Rs. 2, per *k%.* In the open market it is available at *R:.* j per kg.

SHRI B. SATYANARAYAN REDDY: Eveiything is cheaper on paper.

RAO BIRENDRA SlNGH: I am "alking about the prices prevalent in the Super Bazar and the Government shops. It is available there.

SHRl B. SATYANARAYAN REDDY: How many Government shops do you have?

RAO BIRENDRA SINGH: This is not only about the Government shops, but there are 100 mobile vans of the Super Bazar serving 200 to 300 localities every day. There are another 23 vans or so of the Delhi civil Supplies Corporation; plying in various localities of the terrtory. About 100 mobile vans sell onions, potato and sugar. So all arrangements have been made and things are being looked after. The seasonal factor is mainly resposible for price rise.. Therefore, hon. Members cannot say that this is something which can be ignored.

Sir. now I will come to rice and wheat prices. They have not risen much. Honourable Members would appreciate that due to the policies of this Government, India is now an exporting country in wheat; and we are also going to be an exporting country in rice in a big way soon. "We are already exporting basmati rice. We can afford to export even more.

SHRI B. SATYANARAYAN REDDY: That is at the cost of our poor farmer.

RAO BIRENDRA SINGH: At present our food stocks stand at over 29 million tonnes. All kinds of foodgrains we have in stock now. It will go in increasing. We are a'ready facing difficulties for storing our food stocks. I think everybody knows it. Now with this huge stocks of foodgrains we can always control the prices.

We are subsidising it for our development work. For the workers wheat is being sold at Rs. 1.50 per kg. Whereas in the public distribution system it is sold at Rs. 1.72 per kg. Similarly the price of lice is much lower for the people working under our development programmes like NREP, Landless Rural Employment Guarantee Scheme, etc. We want to expand this system also. If any central agencies engaged in the construction of roads, airports, railway lines, large dams and canals, come forward to procure foodgrains from us at this price, we would welcome it.

Regarding distribution prices through the FCI we are facing difficulty. We are not able to control the prices at the retail level even in our public distribution system.

One hon. Member from West Bengal, Shri Nirmal Chatterjee, talked about improving our public distribution system. The FCI depots in West Bengal are issuing wheat at Rs. 1.72 per kg. After procuring wheat at Rs. 1.72 per kg from FCI, the West Bengal Government is selling the same wheat at Rs. 1.96 per kg within a few miles. I think they are chaiging 24 paise extra. They are taking this extra amount within a small area. In this connection I wrote to the Chief Minister that the edible oil prices also should be fixed at reasonable level, because we are giving all these commodities for the benefit of the poor consumer in all areas. Edible oils: We are supplying !P.M edible oils in bulk at Rs. 8 per kg. Some States are charging up to Rs. 12 per kg. Rs. 4 higher than our issue price. In tins we are supplying at Rs. 9.50. I am again try ing to persuade the States to fall in **line,** to agree to our proposals. The States are now responding. We are trying to do it slowly. We do not want that the consumers should be hit an prices should again go up. We are fixing the prices. We have laid down and I have written to the Chief Ministeis that for imported edible oil supplied in bulk to States in fair-price shops for consumers it will not be more tfcan Rs. 965 per kg, Rs. 1.65 more; for oil supplied in tins it will not be more than Rs. 11 with local taxes extra. It is supplied at Rs. 9.50, they can charge Rs. 1.50 more ridding for their transportation, distribution .charges that would be sufficient.

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Similarly, we have told the States to remain within limits for charging over and above the issue price for foodgrains. I have suggested that Rs. 15 should be the maximum per quintal for their distribution system to handle this. But some are charging higher. West Bengal and some other States ore also charging much higher which they should not do. But that is probably because the States want to use it as a source of earning revenue for themselves; they want to make money from consumers on commodities issued by us in the public distribution system. Now, this is the situation against which we are working. We are tryng to improve things.

Now, edible oils I have dealt with, where we have got sufficient quantities. There is a demand that edible oils should not be imported. There is a reason behind it. 1 here is justification also for it. Unless we reduce the import of edible oils, our production of oilseeds will not go up. But it has to be done slowly and gradually. We cannot stop the imports all at once and then face the situation similar to sugar today. Edible oil prices also will go skyhigh. As it is, at present there are several commodities for which prices have shown a rising trend, but at the same time there is a group of commodities for which prices are declining, and edible oils are one. Unfortunately we have not been able to ensure remunerative prices to the farmers during the last crop, particularly in the matter of mustard seed. The prices of indigenous edible oils are showing a downward trend, Groundnut oil: In the Jast week of April it was 15,028 per tonne. In last week of March this year it was 15.366 and now it is 15,780. There is a slight increase. But these prices are much lower than the prices last year. At the same time last year the price per tonne of groundnut oil was 18,772. And, Sir, this year, at the same time, in the beginning of this month, on the 5th of August. it is Rs. 15,780. As against Rs. 18,772 last year, this year, on the 5th of August, it is Rs. 15.780. It is Rs. 3,000 less in the market compared to last year, that is, the groundnut oil prices. Similarly, mustard oil: This has also been ruling very low. Last year, the mustard oil price was Rs. 14,000 on the 3rd of August per tonne and now the price of mustard oil is Rs. 11,400 only. It is nearly Rs. 3,000 less per tonne than last year's price. Similarly, coconut. Coconut price has come down to nearly fifty per cent of what it was last year. So, now we have to consider as to how far we should control prices. Edible oil is also a very important item of food and is an essential commodity and it has been declared as such. Should we try to keep the prices down or should we try to bring the prices to a level where the farmers can grow more and they do not suffer? Now, this is where we are between these two alternatives. The same is more er less the position with regard to sugar. We cannot bring it down to an extent where it will be uneconomical for the farmers to grow and the factories will not be able to pay. Then, rice and wheat: We saw that prices were rising slightly. We immediately took steps to contain the prices, particularly in States where they were rsing like Andhra Pradesh, Kerala, etc. and additional quantities have been allocated to these States. Instead of the 1,10,000 tonnes that Kerala was receiving every month, we have given them now 1.25,000 tonnes last month, and this month an additional 15,000 tonnes. Similarly, we have given to Andhra Pradesh. They had agreed to supply about 15 lakh tonnes of procured rice out of which, they said, they would leave five lakh tonnes with th e Centre and take ten lakh tonnes in the public distribution system. But we are giving more than that. They were getting something between 80,000 and 90,000 tonnes. But we are now giving them 110 thousand tonnes. We have given *ad hoc* special allocation to some States. Apart from the increase in the quota for this season, on their own demand, *to* tbe States like J & K, Himachal Pradesh, Andhra Pradesh, Gujarat and even Maharashtra. We have given additjona' supplies. Apart from that, we have given them an *ad hoc* allotment during this month of 1,76,000 tonnes more of rice; 1,76,000 tonnes of more rice to some States so that they can contain the rise in prices. These are the various measures that we have been taking.

Sir. we agree that there has to be a very thorough and efficient monitoring and vigilance has to be exercised. We are monitoring the prices regularly. We are in

touch with the States. The Food and Civil Supplies Ministry's work is co-ordination and pm suing matters with the States and we are not lacking in that. The other impoitant factor which can contain this price rise is the action to be taken by the States under the Essential Commodities Act. Immediate as we saw that after the Budget prices were rising disproportionately, we changed the rules about the display of prices on packages and we laid down that the amount of local taxes which were only shown in addition to price 'Local taxes extra' be also shown. No consumer know that the amount of local •axes were charged by the proprietor. We S3'd that it will have to be printed on every package and bottle. If that is not >|being implemented, it is for the States to see. We shall again request them. We are calling a meeting of the Ministers of Food and Civil Supplies as suggested by my hon friend, Mr. Desai. He has been a Minister in a very important State. He knows how civil supplies sytem works and what are the constraints on the Central Government. It all depends upon the State Government. Similarly, we asked them to take stringent action against hoarder and black marketeers. Raids were conducted I will oily give the figures for these two months, last two months for sugar. The total raids conducted were 2267. We seized 330 quintals; arrests made were 86, licences checked 301, cancelled 4. Now we have teen asking the Sates to send us the information. Now, Sir, you please tell me what I should do, how I can punish the States when the subject belongs to them. We are only to help them.

THE VICE-CHAIRMAN: (SHRI R. KAMAKRISHNAN): Keep on at them.

RAO BIRENDRA SINGH: Only nine Slates and Union Territories have replied; the others have not given us the information as to what they have done. You would probably be interested in knowing what action was taken against them under the Preventon of Blackmarketing and Maintenance of Supplies of Essential Commodities Act which was passed in 1980. Earlier an Ordinance was promulga ted in 1979. During these nearly six years only 814 detentions have been ordered in the i-cunlry. Now we want action to be taken. We are taking it up with the Stats Governments that more vigilance is required under the Essentail Commodities Act. In the year 1984, lanuary to December, 2,69,386 raids were conducted and the arrests made were 8860 During this year up till now, during the last seven months, 80631 raids have been conducted and the arrests made are reported to be 2404. Sir, that is not so bad. Things are moving. But then we cannot also ask the States and pressurize them to conduct more raids because that may also result in unnecessary harassment at the hands of inspectors. This may also create panic amongst traders. We want to avoid that. Without naming the States, I will give you an example. In the year 1984 oni go^d State in this country conducted 1 lakh 4 thousand .ind odd raids, and the number of people arrested were only two. *in terruptions)* Now, the inference is obvious. Raids are conducted No actio taken. People not arretted. The same may be the story of some other States also. We want that where action is taken it should be taken en genuine and authentic "nformation and if raids are coducted, psopls should be brought to book, prosecutions launched and pursued. If they are only challenged, most of the time it takes years. Analysis reports are not obtained and the cases go by default. Sometimes the raids are conducted, the raiders walk out happily and the trader is left there to make more money through unscrupulous means to compensate himself for what he has dished out at the time of raids. We do not want that that situation should become a practice. Sir, I have already taken a lot of time of the House. *{Interruptions)*

THE VTCE-CHAiRMAN (SHRl R. RAMAKRISHNAN): He has been very elaborate a^d exhaustive,

SHRI JAGESH DESAI: The installed capacity of industries is not being fully utilised.

RAO BIRENDRA SINGH: I do not know. I am dealing with only su^ar industry. The utilisation of capacity there depends upon the availability of sugarcane. How can they utilise in capacity if there

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is no sugarcane? The cause of sickness in the sugar industry is shortage of raw material.

THE VICE-CHAIRMAN (SHRI R. RAMAKRISHNAN): This is a larger issue.

RAO BIRENDRA SINGH: They can ask for a separate discussion and the Minister of Industries will be the proper person to satisfy the hon. Members on this question. 1 thought I would recount the various steps that the Government ha' taken in the matter of rising prices. We are resorting to imports. We shall take more stringent and stricter action against guilty persons. We are gearing up cur machinery and we are also activising the States in this respect. I hope there is no cause for worry with this good monsoon that has started. The people who are still thinking of hoarding will probably come to grief if they are detected. Thank you, very much.

THE VICE CHAIRMAN (SHRI R. RAMAKRISHNAN): The House standi adjourned till 11 o'clock tomorrow.

The House then adjourned at nineteen minutes past iight of the clock till eleven of the clock on Wednesday, the 7th August, 1985.